Mickey gives her top score — Ritmo

Monday, July 14, 1980

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Burg wants the law changed

Summer time wins High Court ruling

By DAVID RICHARDSON
Jerusalem Post Reporter

The High Court of Justice, turning the clocks back 40 years to find the legal basis for their ruling, yesterday ordered the Interior Ministry to move the nation's clocks one hour forward by instituting daylight saving time. But the ministry immediately said it is considering the introduction of legislation that would amend the 1940 Mandatory ordinance cited by the court.

The court, by a 2-1 majority, ordered the introduction of summer time "within a reasonable period of time." It decided that the language of the Determination of Time Ordinance of 1940 leaves the interior minister, who has inherited the powers of the British high commissioner, discretion only regarding the duration of summer time and the amount by which clocks must be altered.

The court was responding to an action brought by a Tel Aviv engineer, Ze'ev Segal, who is an expert in energy conservation. Segal maintained that the country could save about IS100m. if summer time is adopted between May 1 and October 30.

The Interior Ministry argued that the projected saving would not be so great. Moreover, it said, moving the clock forward would inconvenience the religious section of the population.

Justice Haim Cohen, president of the three-man bench, emphasized that the issue before the court "was purely legal" and rested on the interpretation of the law. Cohen and Justice Shlomo Levin ruled that the words "every year" left the minister no discretion about whether to introduce summer time — only about the mechanics and the duration.

While Justice Aharon Barak felt that the law did grant the minister such discretion, none of the judges accepted the state's argument that Segal had no standing before the court. Cohn said that in this case the law placed an absolute obligation on the administration, which he said was refusing to act for reasons of ministerial discretion.

As the law and later regulations now stand, local time should be three hours ahead of Greenwich Mean Time, during the period which the minister must declare as summer time. Cohen emphasized that the minister may go to the Knesset and attempt to persuade it to annul the law or grant him greater discretionary power. "But a minister in Israel may not make law for himself," he said.

Burg said yesterday that he was surprised by the court's decision because there are such differing opinions on the subject. The minister, while stressing that he would honour the court's ruling, said that he would have to consider amending the 40-year-old ordinance.

Both he and ministerial spokesmen emphasized that the court's decision left them "a reasonable period of time" to introduce daylight saving time and said that there were numerous problems involved, especially since summer was already half over. By way of example they referred to airline schedules, which are drawn up long in advance.

Energy Minister Yitzhak Moda'i was pleased with the decision but said he regretted that so much of the summer had already elapsed.

Bread prices double, margarine up

By SHLOMO MAOZ
Post Economic Reporter

The price of bread today is double what it was yesterday, and the prices of margarine and beer have also gone up.

The bread price rise, the first since November, was the decision of the cabinet yesterday, with the knowledge of Prime Minister Menahem Begin, who has been recovering from a heart attack at Hadassah University Hospital in Jerusalem. Begin has been personally involved in decisions on the price of bread for some time.

Responding to the news of the bread price increases, Histadrut Secretary-General Yeroham Meshel said the move signalled "the end of this government's policy of price restraint."

A 750-gram loaf of standard "dark" bread will now cost IS1 — an increase of 100 per cent. It will still be subsidized at a rate of 75 per cent. The same size loaf of white bread now costs IS1.30, which is a rise of 116 per cent. The subsidy rate is 46 per cent.

Halla now costs IS1.40 for the half-kilo loaf, a rise of 100 per cent, making the subsidy rate 17 per cent. Caraway bread, 580 grams, costs IS1.50, an increase of 114 per cent, subsidized at 8 per cent. Rolls weighing 60 grams now cost 30 new agorot, an increase of 100 per cent. They are no longer subsidized.

Industry, Trade and Tourism Minister Gideon Patt yesterday signed an order which permits the increase in the cost of beer (9.5 per cent) and margarine (4.5 per cent).

A 200-gram package of regular margarine now costs IS1.35. Regular beer costs IS1.15 and malt beer, IS.92. Patt has been asked by vintners to raise the price of wines significantly and even to end price control. But he is against removal of controls, partly because of the problem of kashrut of wine. An interministerial committee has been set up to investigate the vintners' claims.

Until this morning, the government subsidy of bread was 240 per cent — IS2.40 for every shekel the consumer paid. That made the price of animal feed higher than the price of bread, and bread was often used as a subsidized breakfast in the barnyard.

In a consultation between the Finance and Labour and Social Affairs Ministries, it was agreed that one per cent increments will be given to the low-income groups that receive social benefits, disability benefits and other allowances to compensate for the rise in the price of bread. Families that get child allowances and have three or more children will also receive the additional 1 per cent.

Economists estimate that the consumer index will rise by 0.6 per cent because of the bread price rise.

The consumer index rise for June, which is to be announced tomorrow is expected to be 5.5-6 per cent.

According to the Treasury, the subsidies were more inflationary than the price increases will be. And cutting down on bread consumption means a savings in foreign currency, since 50 per cent of the ingredients for bread are purchased in foreign currency.

Cairo autonomy meeting

Clash over security as talks resume

By DAVID LANDAU
Post Diplomatic Correspondent and Agencies

The autonomy talks, stalled for two months, resumed in Cairo last night — and immediately ran into the vexed and unresolved problem of security. The talks resumed in the format of the legal subcommittee, under Ministers Shmuel Tamir and Butros Ghali. But Ghali demanded that the issue of security be taken up by this committee — on the grounds that security involves many legal aspects.

Israeli sources, reporting last night from the Mena House hotel in Cairo, said Justice Minister Tamir promptly rejected this demand. He reminded Ghali that the chief negotiators — Burg, Ali and Linowitz — had resolved in Washington a fortnight ago that security would be discussed in the heads-of-delegation forum.

The security issue has dogged the talks almost since their inception, with Egypt seeking a separate "security committee" and Israel insisting that the issue be discussed by the autonomy plenary group.

Beneath the procedural wrangle is a deep substantive divide. Israel wants to keep full and exclusive control of internal and strategic security on the West Bank, arrogating a relatively minor role to the "strong local police force" to be set up under Camp David. Egypt envisages a situation in which the IDF would keep pretty much within its "specified security locations" and leave internal security matters largely to the local police.

The committee meeting lasted one hour. It was preceded by a tete-a-tete between Ghali and Tamir.

In his opening statement, Tamir said he was sorry two months had been lost, and, on behalf of Israel, he hoped the pace of the talks could now be speeded up.

The ministers and Leonard are to meet alone this morning, to begin discussions on the thorny issue of the "source of authority." Their aides will meet separately to discuss the legislative powers to be vested in the "self-governing authority (autonomous council)." Israel insists that it have no power to enact laws, but only to draw up regulations. Egypt wants it to have much of the legislative power of a real parliament. (Egypt sees the SGA as having executive, judicial and legislative branches.)

There will be a further session this evening (after the Ramadan day of fasting ends) and another one tomorrow morning, when the delegates will plan their schedule for further rounds before the end of the month.

The Israeli sources said that despite the immediate obstacle the atmosphere at last night's session was cordial — unlike that at the airport arrival ceremony, where the two ministers argued in

(Continued on page 2, col. 7)

Gov't denies two officials visited China

Jerusalem Post Staff

Government sources yesterday denied a "Newsweek" report that two senior Israeli officials visited China last week. The weekly news magazine, in today's issue, quoted "sources" who said that "Israel hopes to sell arms to the Chinese — and is helping arrange credit for the purchase."

The two senior officials mentioned in the "Periscope" page of "Newsweek" are Yosef Ma'ayan, director-general of the Defence Ministry, and Ya'acov Ne'eman, director-general of the Finance Ministry.

Both Ma'ayan and Ne'eman were abroad last week, according to a government source who stressed that the report is incorrect and that both directors-general were on the business of their respective ministries. The source would not elaborate.

A Treasury spokesman would only say: "Ya'acov Ne'eman has been abroad on ministry business for the last eight days."

U.S. State Department spokesman Sandra McCarthy, asked about the "Newsweek" report, would not comment.

Justice Minister Shmuel Tamir boards an army plane at Atarot Airport in Jerusalem for his flight to Egypt yesterday. (Zoom 77)

Cabinet approves new law against backing terrorism

Jerusalem Post Staff

Public expression of sympathy or identification with a terrorist organization by means of placards, slogans, flags or anthems will be punishable by a maximum sentence of three years imprisonment and/or a fine of IL250,000, according to the new draft law unanimously approved by the cabinet yesterday for tabling in the Knesset this week.

The offence will be tried before a civil court, not a military court, as is the case with a similar law forming part of the pre-1948 Emergency Regulations. The new law, whose official text will only be released today, is an amendment to the Prevention of Terrorism Ordinance.

The proposed amendment to the ordinance would transfer all the powers of the defence minister and various military and security authorities to the justice minister and civil institutions.

The bill is to be published "in full" today.

A terrorist organization is defined in the first section of the Ordinance as a group of people which by violent action or threat may cause the death or injury of a person.

Observers said yesterday that the amendment was primarily aimed at Arab students on local campuses who have clashed with right-wing Israelis during pro-PLO demonstrations during the past few months.

In a related development, three Arab students were suspended from Ben-Gurion University in Beersheba for taking part in an unauthorized campus demonstration. The students were protesting the suspensions of two other Arab students for what the university said were anti-Israel activities.

Two of the students were suspended for one year and the third for two years. Officials said 12 Arab students have been suspended and one expelled from Ben-Gurion in recent months as the university cracked down on activities it regarded as hostile to the state.

Begin to leave hospital today

Jerusalem Post Reporter

Prime Minister Menahem Begin will leave Hadassah University Hospital today, following two weeks of treatment for a mild heart attack.

A hospital spokesman said Begin would rest at home "for two or three more weeks" before returning to his active duties as premier and defence minister.

Egyptian President Anwar Sadat yesterday telephoned Begin and wished him a full recovery. He expressed joy when Begin told him that he was leaving hospital. Begin wished the Egyptian president strength to hold out during the month-long Ramadan fast.

Begin tells Carrington:

Jerusalem was Jewish before London existed

Post Diplomatic Correspondent

Prime Minister Begin, in a statement from his sickbed replete with bitter sarcasm, hit out yesterday at Britain's foreign secretary, Lord Carrington, who had advised Begin, in an Israel TV interview, not to move his office to East Jerusalem.

"The British foreign secretary should remember the following facts," Begin wrote in his statement:

A. It is not his business to advise the prime minister of Israel where to site his office in Jerusalem, the capital of Israel, just as it is not the business of an Israeli citizen to make any comments to Mrs. Thatcher on where to site her office in London, the capital of the United Kingdom.

B. Jerusalem was a capital, a Jewish capital, long before London became the capital of the United Kingdom. When King David moved the capital of his kingdom from Hebron, where he reigned for seven years, to Jerusalem, where he reigned for 33 years (Kings 1, 2:11), the civilized world had not yet heard of the city of London.

Burg: Egypt insists Saudis may join the peace process

Jerusalem Post Reporter

Egypt has been trying strenuously to convince the U.S. and Israel that Saudi Arabia is on the verge of supporting the Camp David peace process.

Interior Minister Yosef Burg, reporting to the cabinet yesterday on his recent talks in Washington, said that Gen. Kamal Hassan Ali, the Egyptian foreign minister, was very actively generating this impression in the U.S. capital.

Burg admitted that he could not decide how much of this was a realistic forecast and how much was wishful thinking on Egypt's part.

Burg told the cabinet that General Ali made his statement about Saudi intentions the basis for his request that Israel adopt a moderate stand in the autonomy talks in order to encourage Saudi participation in the peace process.

Referring to the Knesset Law Committee's approval of the Tehiya private member's bill on the status of Jerusalem, Burg said he told his American counterparts that he was surprised that a great power's representatives should be angered by the decisions of a parliamentary committee.

He also said he told Gen. Ali that the same Arab terrorists who would dearly like to finish off Yosef Burg would also like to finish off Kamal Hassan Ali despite the different attitudes of Egypt and Israel on Judea and Samaria.

Burg told U.S. autonomy envoy Sol Linowitz that the transfer of government offices to East Jerusalem had been planned several years ago, well before the Camp David agreements. Prime Minister Menahem Begin was resolved to proceed with the plans.

He stressed to his colleagues yesterday — in order to dispel rumours to the contrary — that no concessions had been made in the Washington talks. "The sole concession was the staging of the

(Continued on page 2, col. 5)

Rosh Hanikra army talks called off by Lebanese

By DAVID LANDAU
Post Diplomatic Correspondent

A meeting scheduled for today between Israeli and Lebanese army officers at Rosh Hanikra was called off at the last moment by the Lebanese. Word of the postponement reached Jerusalem yesterday afternoon through the UN, which had initiated the meeting. It would have been the first such contact in more than two years.

Israeli sources said they did not know if the Lebanese meant merely to delay the meeting for a few days, or to put it off indefinitely. Israel for its part, they stressed, was ready and willing to hold the meeting, at which the situation in south Lebanon would presumably be the chief item on the agenda.

Arrangements for the meeting had been complicated throughout by the issue of its designation: the Lebanese referred to it as a session of the long-dormant Mixed Armistice Commission, while Israel saw it as simply a meeting between the two armies. Israel has regarded the MAC as not merely dormant but virtually dead ever since the armistice regimes collapsed with the outbreak of the 1967 war.

UN and Israeli sources have been pointing to the return of relative calm to South Lebanon since Menahem Begin took over at the Defence Ministry. Even the bloody fighting between the Christian militias in the north of the country has had no ill-effects in the south, where violent incidents between Major Sa'ad Haddad's militia and UNIFIL forces have markedly fallen off in frequency since Begin's advent in Defence.

It is no secret that the premier spoke strongly to Haddad of the need to cease harassing UNIFIL forces. The message was repeated by Foreign Minister Yitzhak Shamir, who toured the northern border on Friday and met with Haddad at Metulla.

Both Begin and Shamir assured the Christian leader of Israel's continued support. But both impressed upon him the grave damage to Israel's foreign relations caused by his repeated clashes with UNIFIL.

At the cabinet yesterday, acting premier Yigael Yadin praised Shamir for re-involving the Foreign Ministry in South Lebanon policy-making. The ministry had been keeping out of this area — save for formal contacts with the UN — ever since Operation Litani in March 1978. Then-minister Moshe Dayan disapproved of the operation and subsequently ordered the ministry staff to leave South Lebanon policy exclusively in the hands of the Ministry of Defence.

Oil conglomerate bids for UPI

Jerusalem Post Correspondent

WASHINGTON. — A company controlled by an oil conglomerate is negotiating the purchase of United Press International, one of the world's three big news agencies, according to the "New York Times."

The paper said Charter Media, owned by the Charter oil and energy conglomerate, is still engaged only in preliminary negotiations with the E.W. Scripps company, which controls UPI.

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530 died in Beirut fighting

BEIRUT. — Dany Chamoun, former president Camille Chamoun's younger son, said in a newspaper interview published yesterday that 530 persons were killed in last week's fighting between Lebanon's two largest right-wing Christian militias.

"It was a criminal massacre, and it should not be tolerated," Dany Chamoun was quoted as saying in the first interview he gave after his "Tigers" militia of the National Liberal Party was routed by militia squads of the Phalange Party last Monday and Tuesday.

Chamoun accused Phalangist military commander Bashir Jemayel of seeking to establish an autonomous Christian state.

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The Weather at Main

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Destinations

	MIN. C	MIN. F	MAX. C	MAX. F	
AMSTERDAM	12	54	18	64	Cloudy
BRUSSELS	11	52	18	64	Cloudy
BUENOS AIRES	5	41	17	63	Sunny
CHICAGO	24	75	34	93	Clear
COPENHAGEN	13	55	17	63	Cloudy
FRANKFURT	10	50	18	64	Cloudy
GENEVA	10	50	15	59	Cloudy
HELSINKI	11	52	20	68	Cloudy
HONG KONG	25	77	29	84	Rain
JOHANNESBURG	7	44	18	64	Clear
LISBON	19	66	33	91	Sunny
LONDON	11	52	19	66	Sunny
MADRID	10	50	34	93	Sunny
MONTREAL	11	52	19	66	Cloudy
NEW YORK	21	70	29	84	Clear
OSLO	13	55	18	64	Cloudy
PARIS	11	52	18	64	Rain
RIO DE JANEIRO	16	61	29	84	Clear
SAO PAULO	13	55	25	77	Cloudy
STOCKHOLM	14	57	19	66	Cloudy
TOKYO	19	66	27	81	Clear
TORONTO	16	61	24	75	Clear
VIENNA	18	64	23	73	Cloudy
ZURICH	11	52	18	64	Cloudy

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THE WEATHER

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	17	22—33	31
Golan	16	22—34	32
Nahariya	65	17—30	30
Safad	22	24—33	31
Haifa Port	63	24—30	30
Tiberias	21	21—38	38
Nazareth	22	21—32	31
Afula	20	20—35	34
Samaria	24	23—32	30
Tel Aviv	57	20—31	30
B-G Airport	27	17—34	32
Jericho	14	19—41	39
Gaza	61	20—30	29
Beersheba	11	18—38	36
Eilat	13	25—43	42
Tira Straits	19	26—41	41

SOCIAL & PERSONAL

Rotary Jerusalem West will hold a festive meeting on the occasion of the exchange of presidents and a farewell party for District Governor David Neuman at its "Ladies Night" tonight at 7:45 at the King David Hotel. Shmuel Toledano will speak about "Arab and Minority Problems."

Graveside ceremony honours Jabotinsky

A state memorial service yesterday marked the 40th anniversary of Ze'ev Jabotinsky's death. Attending the graveside ceremony on Mt. Herzl were President Yitzhak Navon, Knesset Speaker Yitzhak Berman, Acting Prime Minister Yigael Yadin, ministers, MKs and leaders of the Jewish Agency. Jabotinsky's grandchildren lit a memorial flame and wreaths were laid on the grave. Selections from the Revisionist leader's writings were also read.

No TV crew for Jabotinsky

Jerusalem Post Reporter

Broadcasting Authority Chairman Reuven Yaron last night issued an unprecedented condemnation of "the behaviour of those responsible for TV news" for not having sent a TV team to cover yesterday's state ceremony marking the 40th anniversary of the death of Ze'ev Jabotinsky.

Immediately after last night's "Mabat" news show, Yaron called director-general Yosef Lapid to inform him of his displeasure, and the authority spokesman quickly called journalists with the news.

Yaron said that the four items covered by TV teams last night were of secondary importance and not urgent.

TV news director Haim Yavin told *The Jerusalem Post* that the TV news department was shorthanded.

He also said that the interviews with Acting Prime Minister Yigael Yadin about the French sale of uranium to Iraq and with Howard Squadron on the eve of the American-Jewish Committee dialogue were very important.

Exporters to face tighter credit terms

By SHLOMO MAOZ
Post Economic Reporter

The credit which manufacturers receive to finance their exports will be tightened — with higher interest rates and smaller loans — starting in October, it was decided yesterday.

Finance Minister Yigael Hurvitz, Industry and Trade Minister Gideon Patt and Bank of Israel Governor Arnon Gafny, in a compromise, agreed that interest rates for export credit will go up by some 30 per cent, and manufacturers will be able to finance a smaller part of their exports under the new rules.

Hurvitz and Gafny had originally wanted an even larger cutback in credit for exports in order to curb the inflationary impact of the subsidies to capital implied by low interest rates and a large volume of credit.

Patt had last week campaigned to protect the industrialists. He argued — sometimes to the point of acerbic exchanges with Gafny — that government policy should not impair the conditions for exports just when the economy was slowing down. This, he said, carried the risk of causing mass unemployment.

The new measures will not come into effect until October, in order to give exporters an adjustment period. The diamond industry, however, will not be subject to the new credit terms until the beginning of November.

Currency credits in shekels to finance export production will, from the beginning of October, carry an interest rate of 55 per cent of the commercial rate charged by the banks on debitory balances. The rate is now 40 per cent.

The amount of cheap credit now granted for export production is some IS1.8b. at 30.5 per cent interest. That rate is due to rise on July 17 to 35.5 per cent as part of the normal increase in commercial interest rates.

Credit granted for the import of materials to be used in products destined for exports will, from October, be for up to 75 per cent of the value of the imports. The rate is 80 per cent now.

The credit granted for the financing of shipments — which enable exporters to grant credit to their customers and to cover the period between the shipment of export goods and the receipt of payment for them — will also be reduced. Instead of the current 85 per cent of f.o.b. value, credit will be granted for only 80 per cent.

The credit extended for import of materials now amounts to IS1.6b., and for financing of shipments is IS2.7b. But these two forms of credit are granted in foreign currency. The rate of interest for both will remain unchanged — 60 per cent of the Eurodollar rate.

Diamond polishers will, as of November, get loans for only 70 per cent of the value of the transactions to be financed. They receive 80 per cent now. They will have to pay 70 per cent of the Eurodollar interest rate, instead of the current 60 per cent.

The credit now available to the diamond industry amounts to IS1.07b. The Bank of Israel originally wanted to cut the credit to the diamond industry gradually, by first eliminating the credit given for imports of polished diamonds. The diamond industry, however, asked for an across-the-board cut rather than the elimination of one specific type of financing.

This, they argued, might lead to the closure of enterprises left with large stocks of polished diamonds.

The amount of credit granted to the diamond industry, at 60 per cent of the Eurodollar rate, has grown from $191m. in 1974, to $728m. in 1977, to $843m. in 1979. The rate of financing has increased from $0.39 per dollar of exports in 1974 to $0.69 per dollar now.

While exports of diamonds grew by 118 per cent between 1974 and 1979, the credit granted has increased by 341 per cent.

Telephone activists announce plans to field Knesset list

By YITZHAK OKED
Jerusalem Post Reporter

TEL AVIV. — A new organization composed mainly of people who don't have telephones has announced plans to field its own candidates for the Knesset.

The new "Telephone Consumers Organization," led by Tirazi Rom, called for a phone-in tomorrow, with the public calling the telephone service to explain the problems of not having a telephone. He gave 691211 in Tel Aviv, and 230222 in Jerusalem, as numbers to call.

Yitzhak Kol, president of United Studios in Israel, said only half in jest that if the organization can win a Knesset seat, it will solve the problem of at least 120 people who are waiting for phones, because Knesset members have top priority.

"After the MK on our list gets his phone, he will resign and the next one on the list will go in," he said.

More seriously, Kol said he is often ashamed that he has to tell a president of a foreign television network that he is difficult to reach because he doesn't have a phone at home.

Rom, who does have a home phone, said he too is being "victimized" because he cannot call friends or relatives who do not have a phone.

He urged the public to also call the Knesset tomorrow, at 661211, to talk with MKs about the phone problem.

Rom claimed that, although the decision has been taken to turn the telephone service into a private company, nothing was being done to implement the decision. Meanwhile, he said, the recent budget cuts in the government have particularly impacted phone service in general, and the installation of new phones in particular.

Communications Ministry spokesman Zecharya Mizrotzky yesterday told *The Jerusalem Post* that the ministry was in favour of the formation of a phone users' organization.

He said ministry officials had met with the consumer leaders, explained the problems to them, and taken them on tours of different phone company facilities.

But Mizrotzky was more optimistic that the new private phone company would become reality, and that within four years of its formation the phone waiting list will be eliminated.

He said that there are now about 200,000 phone requests unfilled ("Telephone Consumers" put the figure at 250,000), with about 75,000 new requests each year. To eliminate the waiting list, he said, 500,000 phones would have to be installed in four years. In 1979, 70,000 new phones were installed, he added.

The activists advised people interested in joining their organization to contact them — by mail. They gave their address as P.O.B. 2029, Holon.

Experts to discuss Jews and the U.S.

Four American experts will discuss "The 1980 Presidential Campaign and the U.S. Jewish Community" at a public meeting sponsored by the American Jewish Congress at the Van Leer Auditorium in Jerusalem at 8 p.m. today.

Participating in the session will be: AJC president Howard Squadron; Edward Sanders, former senior adviser to President Jimmy Carter and former chairman of the American-Israel Public Affairs Committee; Theodore Mann, immediate past chairman of the Conference of Presidents of Major American Jewish Organizations; Phil Baum, associate executive director of the American Jewish Congress.

Henry Siegman, AJC executive director, will moderate the discussion.

Part of the crowd of 150,000 people enjoy the IPO concert in the Yarkon Park on Saturday night. (Rahmani, courtesy of "Ma'ariv")

150,000 music lovers leave Yarkon Park 'immaculate'

Jerusalem Post Reporter

TEL AVIV. — The largest crowd of music lovers in Israel's history converged on the Yarkon Park Saturday night — and left the park immaculate, a proud Mayor Shlomo Lahat said yesterday. Over 150,000 people heard Zubin Mehta conduct the Israel Philharmonic Orchestra at the annual outdoor concert.

Traffic jams stretched for many kilometres around the park and thousands of spectators arrived on foot. The flower beds surrounding the park and the shrubbery-covered divider on Sderot Rokach were turned into a huge parking lot and hundreds of motorists who were marooned in the massive bottleneck never made it to the concert at all.

Mehta, who initiated the switch from Kikar Malchei Yisrael to the spacious park, was impressed by the absolute silence of the huge crowd and noted that he could have conducted even a chamber orchestra in the park with ease.

Violinist Isaac Stern brought the audience to its feet with his rendition of Mendelssohn's Violin Concerto. Stern, who is celebrating his 60th birthday, received flowers and a violin-shaped cake from conductor Zubin Mehta.

The concert ended with Tchaikovsky's 1812 Overture, complete with fireworks and cannon fire. Teenagers in the crowd were heard to exclaim excitedly, "This is better than a rock concert."

Despite the massive crowd, damage to the shrubbery and water sprinklers was minimal, said a park spokesman.

Lahat — who was master of ceremonies — announced that, owing to the success of the evening, next year's concert will also be held in the Yarkon Park.

New Foreign Ministry chief says he's 'all civil servant'

By DAVID LANDAU
Post Diplomatic Correspondent

David Kimche, who takes over as director-general of the foreign ministry tomorrow, sees himself as a lifelong civil servant (27 years in the Mossad) moving from one branch of the civil service to another.

He has the highest regard for Foreign Minister Yitzhak Shamir, whom he came to know within the Mossad. But he does not see his own appointment merely as that of a personal friend of the minister. Nor does he see his tenure, therefore, as inevitably linked to that of the minister.

Indeed, Shamir may yet quit the foreign ministry soon — though he plainly would prefer not to — and move over to Defence at Premier Begin's insistent request. Kimche would not necessarily regard his own foreign ministry career as automatically snuffed out by such a twist of the political wheel-of-fortune.

For him, he says, "civil service" in the pristine British sense of the term is "a hallowed principle. It may sound soppy, but it's perfectly true," says the 52-year-old British-born and educated scholar, Intelligence executive, and now diplomat. "I serve the state and its people, not any particular party or government."

Perhaps for the same reason, Kimche, forced now to doff his accustomed and comfortable anonymity, still jealously clings to political non-identity. He is a member of no party, he says. His ornithological feathers are his private affair. His is not the case of a faithful torch-bearer installed in high office by a ministerial idealogue. The minister simply regarded him as a good man for the job.

And remarkably, in a ministry known for its cliquishness, there was hardly a murmur of dissent.

Kimche says he knows many of the top ministry staff well — and knows them as "first class

David Kimche

professionals." He is well aware, he adds, of the pervasive sense of frustration that has affected the foreign ministry these past dozen years or more. It makes his new job all the more challenging.

The sixth director-general in eight years, he says he is determined to improve the ministry's standing, to maximize its input in national policymaking.

He has warm praise for the ministry's research centre, where backroom experts write weighty memoranda and sometimes wonder whether the decision-makers ever read them. The centre, says Kimche, "must be used to the fullest possible extent; it provides a basis for a planned foreign policy."

Wincing visibly as the photographer goes about his business, Kimche vows to make the foreign ministry's ideas and policies known and understood to the media and the public. It will clearly be a sudden and difficult change for him.

But he brings to the post an enviable reputation for intellectual brilliance and integrity — assets which could be a recipe for success.

TA honours distinguished citizens

By MICHAL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Fifteen men and two women, all over 70 years old, were yesterday named distinguished citizens of Tel Aviv in a ceremony in Tel Aviv's Mann Auditorium.

The awards went to:

- Architect Arye Elhanani, 82, founder of the Tel Aviv fair grounds.
- Yosef Efrat, 91, one of the founders of the Tel Aviv port, who helped create the Hapoel sports organization.
- Yehuda Ehrlich, 81, who helped rescue Polish Jews during World War II and contributed much to Tel Aviv's religious life.
- Haim Badihi, 90, who immigrated from Yemen at the age of 23, and represented the Yemenite Jews in the Zionist Congress of 1927.
- Aluf (res.) Michael Ben-Gal, 72, the Hagana commander of Tel Aviv during the War of Independence.
- Yitzhak Rahamim Ben-Yoram (Mizrahi), 91, who worked as a shoemaker in the Hatikva Quarter since 1935 and founded three synagogues there.
- Aharon Becker, 74, a former secretary-general of the Histadrut, who initiated the Histadrut Kupat Holim's tax system.
- Hemda Giladi, 86, who fought for women's economic, social and legal rights in Tel Aviv and was the first woman judge in Tel Aviv's District Court during the Mandate.
- Dr. Dov Donner, 75, founder of the Tel Aviv Branch of the Herut Movement.
- Hillel Cohen, 82, founder and leader of the Solel Boneh construction concern.
- Fritz Levinson, 74, among the founders of Brit Maccabi Atid sports club.
- Eliezer Matalon, 70, who helped develop commerce around Jaffa Port and served as a Labour Party member of the city council for 11 years until 1978.
- Julius Gdalyahu Salpeter, 75, another former council member, who helped build Zahala, north of Tel Aviv.
- Yihya Zecharya Amrani, a member of the Betar youth movement, who served on the city council and helped slum residents of Tel Aviv.
- Attorney Zvi Klemantinovsky, 76, who contributed to Tel Aviv's health and hospitalization services and also was a member of the council.
- Prof. Erwin Rabau, 81, who founded Assuta Hospital, where he directed the gynaecology department and was known for his studies and treatment of sterile women.
- Shoshana Ruskin, 92, among the 60 founders of Tel Aviv.

El Al chiefs chip in to help airline

By MICHAL YUDELMAN
Jerusalem Post Reporter

BEN-GURION AIRPORT. — El Al's senior staff yesterday [...] board chairman Avraham She[...] that they are each donating [...] month's pay to help keep the air[...] going.

The donations come from El Al [...] managing director, all secti[...] heads and deputy directors. Airl[...] sources said yesterday that [...] senior staff's move was sparked [...] by the works committees' prom[...] last Friday to help the manageme[...] get the company back on its feet.

The works committees' step w[...] seen as a revolution in the airli[...] which has suffered much from p[...] labour relations. The works [...] withdrew all their objections to [...] planned introduction of the ne[...] Boeing 737s, which are co[...] siderably cheaper to run. As [...] result, El Al is now reconsider[...] leasing these planes — a step it [...] previously postponed because [...] disputes with the works com[...] mittees.

The joint committee appointed [...] the airline's eight separate wo[...] committees yesterday circulated [...] memo to El Al workers, ask[...] them for new ideas on advertis[...] and marketing.

CLASH

(Continued from page One)

public.

Tamir restated the position [...] "Jerusalem is a unified city, [...] capital of Israel, within Isr[...] sovereignty."

"This is not our position," Gh[...] snapped. "Our position was [...] pressed in an exchange of let[...] with the United States and [...] received a positive answer from [...] U.S.," he said.

Ghali did not elaborate or [...] when the letters were exchang[...] Egypt suspended the talks in M[...] partly because of Israel's move [...] stress that Jerusalem is its uni[...] capital.

Ghali was asked by report[...] what had persuaded Egypt [...] resume the negotiations.

"We have obtained from the t[...] full partner (to the negotiatio[...] the Americans, guarantees a[...] certain solutions."

Ghali and Tamir were joined [...] James Leonard of the U.S. fo[...] legal committee talks.

Chief autonomy negotiator Y[...] Burg denied last night that he [...] quarrelled with Tamir over the [...] ing of an Air Force plane to f[...] the negotiating team fr[...] Jerusalem to Cairo. "I am no[...] travel agent," he said.

Burg told *The Jerusalem* [...] that he condemned and desp[...] such tendentious reports (they [...] been carried on the radio) w[...] designed to appear against [...] embarking [...] national [...]

Joan Borsten adds:

Aluf Avraham Tamir, also in E[...] with the Israeli negotiating te[...] yesterday rejected as without fo[...] dation a belief regularly articula[...] by well informed Cairenes th[...] days that Egyptian autono[...] negotiators are treading water u[...] the Begin government falls an[...] new, less rigid cabinet is voted [...]

"I know many people here [...] have very good connections, b[...] have never heard such sentim[...] expressed," said Tamir. "On [...] contrary, I am as optimistic now [...] I was after Madison and B[...] House. We will come to an ag[...] ment. No one can stop the pe[...] process. But like after World [...] II, it is not easy."

Tamir, his aides, and seve[...] Interior Ministry officials flew [...] Cairo yesterday on board Nefer[...] airlines. The rest of the Isr[...] autonomy team arrived later o[...] special air force flight.

Despite the general's optimis[...] when his part of the autonomy te[...] arrived at Cairo airport, they w[...] not met by their Egyptian coun[...] parts or even a representative [...] the Foreign Ministry. In the p[...] whenever delegations arrived t[...] were given VIP treatment [...] whisked through the red tape.

Yesterday Interior Ministry [...] ficials and an Israeli journ[...] were left to recover their [...] baggage and deal with customs [...] immigration authorities.

"This just proves to me that [...] Egyptians are less th[...] enthusiastic about resuming [...] stalled talks," said one Israeli [...] ficial.

Drug dealer slain in Jaffa

By YORAM BAR
Jerusalem Post Reporter

TEL AVIV. — Two suspects were arrested yesterday afternoon in the murder of a suspected drug dealer near Jaffa's November Club before dawn yesterday.

The suspects — the victim's 16-year-old girlfriend and a 26-year-old Tel Aviv resident — were believed to have worked together.

The victim, Moshe Fando, 25, of Holon, was released a few months ago from Beersheba prison, where he spent two years for drug dealing.

According to police, Fando had continued to deal in drugs in Tel Aviv.

Police found Fando's body in a pool of blood near his car on Rehov Pinhas.

He was shot seven times with a 22-mm. calibre revolver.

BURG

(Continued from page One)

meeting in Washington," Burg said.

Israeli settlements in Judea and Samaria had been mentioned at the Washington talks, Burg reported. General Ali told him that as a military expert, he believed the settlements did not serve any vital security function — this was his conclusion after a helicopter tour of the region, Ali said.

Burg reported that Linowitz had asked him whether settlements would go up on private or state land in future, and he replied that no private land would be taken for settlement purposes.

Ali had sought an explanation for the demolition of houses connected to terror activity in Judea and Samaria. Burg replied by asking Ali whether Egypt would have behaved otherwise in the face of a wave of terrorism.

Blackout inaugurates new era

Eilatis may now have both water and power

Jerusalem Post Staff

Eilat residents had more or less full water supply renewed yesterday, but were immediately hit by a power cut that left them as hot as they had been dry.

But the city's perennial water and power supply problems may be eased now that workers of the Electric Corporation — who had been imposing sanctions — reached an agreement with the corporation management.

Electric Corporation workers run the city's power plant and the desalination works in the port area. But the power plant has become redundant since the city was connected to the national power grid. Under the agreement reached yesterday the 54 Electric Corporation workers will either move north to the new power station in Hadera or retire with suitable compensation. The desalination plant will be transferred to Mekorot, the national water company, on August 31.

Up to now both power and water supply have been faulty. One Eilat resident said yesterday: "Either we have water or we have electricity, but not both together." Yesterday, as water supply was renewed, power went off between 4 and 6.30 p.m. Most of the city's homes are cooled during the scorching summer months by desert coolers which use both electric power and water. There was no official explanation for yesterday's power cut.

Even at the best of times the desalination plant is barely sufficient to meet the town's needs. One source close to the town council said that a major reason for the shortfall is that "IS8m. worth of water, desalinated at the vast expense of IS15 per cubic metre, flows back into the Red Sea every month because so many of the pipes in the water system are damaged. We see water in the streets but not in our homes."

Jerusalem also missed its full quota of water last week because of a breakdown in a pumping station. But this problem was solved yesterday by Mekorot workers, according to Mekorot managing director Ya'acov Toviya.

We announce with deep sorrow
the death of our beloved

FANNIE PASSMAN ז"ל

widow of Charles Passman ז"ל

The funeral will take place at 11 a.m. on Wednesday, July 16, at the Sanhedriya Cemetery in Jerusalem.

Rivka and Ephraim Evron
and family
Rachelle and Si Samach
and family

Shiva at the Samach home, 62 Rehov Wingate, Herzliya Pituah.

The World Wizo Executive and all Beit Wizo
deeply mourn the passing of

DORA GOLDSTEIN ז"ל

Treasurer of Wizo Gt. Britain and Ireland
Honorary Life Member World Wizo Executive

and express their condolences to the bereaved family.

Her contribution to the upbuilding of Wizo's network of institutions in Israel will remain her living monument.

Raya Jaglom, President, World Wizo
Ruth Isakson, Chairman, World Wizo Executive

In deep sorrow, we announce the death of my dear husband, my father, our grandfather

DAVID BAR-NES ז"ל

He bequeathed his body to science.

Ramat Ilan
July 13, 1980

The Family

To Gita and Zeev

We are with you in your grief on
the passing of your beloved husband and father

KURT (Alexander) GEISEL

S. Ellenberg Family
Z. Ellenberg Family
Yanai Family

To the Geisel Family

Sincere condolences from all
the workers and management of Chemotrade Ltd.

on the sudden passing of

KURT

Our beloved

ABRAHAM TAMIR (Polinsky) ז"ל

is no more.

Dr. Alma and Ariel Tamir (New York)
Dr. Nahama, Amatzi and Orly Krakowski (Tel Aviv)
Benjamin Ariel (Polinsky) (London)
and the family in Israel and abroad

Poorest hit by delay in tax credit increase

By SHLOMO MAOZ
Post Economic Reporter

Though National Insurance dues will be raised immediately to compensate for inflation, tax credits and child allowances will not be adjusted at least until October, and the poor will feel the pinch most.

Civil Service Commissioner Natan Jacobson told *The Jerusalem Post* yesterday that the Treasury has decided definitely not to adjust tax credit points and child allowances until the issue is discussed in the economic cabinet and the Knesset Finance Committee. He noted that the Treasury will table a proposal to adjust them to inflation, but that in any case it is too late to adjust them for the current month.

He implied that no adjustment will be expected until October, when their regular updating is scheduled anyway.

The delay will mainly affect lower income brackets, both because the credits and allowances are a higher proportion of total income than in the higher-income groups and because low-income families have more children.

The government yesterday approved the quarterly adjustment of income tax brackets to the full rate of inflation and the finance minister will publish tax regulations to that effect after the Knesset passes the necessary amendment to the present income tax law.

The Treasury yesterday published a table showing the wage increases in July compared with June. The table takes into account the adjustment of the tax brackets, but not of the tax credit points and child allowances. As can be seen from the table, the net nominal wage increase is some 25 per cent in all income brackets, except for the lowest, where it is 21.6 per cent, and the highest shown, where it is 19.9 per cent.

While child allowances remain unchanged, the National Insurance fees go up with the rise of nominal incomes. For a worker earning IS2,000 a month, the difference in National Insurance premiums amounts to IS31.70, as the table shows, and for a worker earning IS3,000 the fee will be IS42.50 higher.

The higher National Insurance premiums, which for the time being remain unmatched by higher child allowances, will cause the institution to accumulate large cash reserves until the next increase of the allowances in October. These reserves flow into the Treasury's coffers and are equivalent to an additional income tax.

In the discussion, Labour Affairs Minister Israel Katz said that the adjustment of the tax brackets, which the Histadrut had insisted on, was destined to improve the lot of the higher income earners. The Histadrut had not raised the question of tax credit points and child allowances, Katz noted, which counted most for the low income earners, but it was up to the government to worry about them now.

Katz demanded the right to attend the meeting of the Ministerial Economic Committee which is to be held shortly, to discuss the tax credit points and the child allowances.

Hurwitz said: "I can already tell you what you'll say in your speech when you come."

Katz: "And I can already tell you what you'll say in your reply."

Net salary for a married person whose spouse doesn't work

JUNE 1980				JULY 1980					
*Total salary	Income Tax	National Insurance	Net Income	*Total salary	Income Tax	National Insurance	Net Income	Net increase	Percentage increase
10,000	75	460	9,465	12,906	802	594	11,510	2,045	21.6
20,000	2,735	920	16,345	26,010	4,429	1,237	20,344	3,999	24.5
30,000	6,235	1,380	22,385	39,231	9,056	1,805	28,370	5.985	26.7
40,000	10,375	1,840	27,785	52,026	14,773	2,393	34,860	7,075	25.5
50,000	15,375	2,300	32,325	64,715	21,229	2,898	40,588	8,263	25.6
60,000	21,175	2,760	36,065	75,975	27,985	2,898	45,092	9,017	25.0
100,000	45,175	2,898	51,927	118,976	53,798	2,898	62,280	10,353	19.9

* Salary with seniority increments, standby pay, travel, professional literature and clothing allowances, etc.

Officials play down huge oil shale find

Jerusalem Post Reporter

Energy Ministry officials and geologists yesterday attempted to tone down the optimism surrounding the announcement of the discovery of a massive oil shale deposit in the southern Negev.

The deposit, located 80 km. north of Eilat at Nahal Tznifim, and estimated to hold as much as 1.5 billion tons of shale oil, could "cover Israel's energy needs for several decades," according to the most optimistic statements reported yesterday. Prior to revelation of the Nahal's Tznifim find Israel's proven shale oil reserves were about 3 billion tons.

But the ministry, pointing to the cost of extracting oil from the shale rock deposits and the infancy of the extraction industry, warned that "at the moment it is of no commercial value whatsoever."

Hebrew University energy expert Dr. Ze'ev Aizenshtat yesterday told *The Jerusalem Post* that he is regarding the find with caution. He pointed out that different processes are needed for different types of oil shale formations — the two techniques already developed are termed liquification and gassification.

"Israel's deposits are a mixed bag," he noted, and both processes might be needed here.

He also pointed out that Israel's shale oil has a high sulphur content, which he termed an "impediment" to oil extraction.

Aizenshtat said that the cost of shale oil extraction is now about $40-50 per barrel, only $10-20 more than oil from wells.

The university expert recommended that Israel begin a project to extract oil from shale immediately, citing "eco-political factors," and noted it would take some five years before commercial quantities could be produced once a decision is taken to do so.

An Energy Ministry spokesman told *The Post* last night that current plans are to start "the process of production in four or five years' time." Under such a timetable, the earliest Israel could produce oil from shale in commercial quantities would be about 10 years.

Ministry sources yesterday said the roughly three billion tons of proven shale oil reserves included one half billion each at the Rotem Plain and at a site near Oron, one billion tons in the Hartuv-Tzora region, and 100 million tons near Nebi Musa, in the Judean Desert.

The Nahal Tznifim find is not yet listed in the proven reserves category, nor is a 750 million ton deposit indicated by drillings in the Zin depression in the Negev.

Minister, MKs boycott Bastille fete

Jerusalem Post Staff

Transport Minister Haim Landau, Likud Knesset faction chairman Avraham Sharir and Democratic Movement MK Akiva Nof have all announced that they will not attend the French ambassador's Bastille Day reception today, in protest against the French-Iraqi deal on nuclear development.

Landau said the French deal gave him the feeling "we are living in the days of Petain's Vichy because France's policy toward Israel is hostile in every way."

Sharir told *The Jerusalem Post* France is "prostituting herself.... Bastille Day events are meaningless because nothing is left of French ideals."

Nof said it was impossible to carry on "business as usual" if France persisted in supplying "the murderous Iraqi regime with uranium for the manufacture of an atomic bomb to be used against the Israeli people."

Haifa's debts may end city services

Jerusalem Post Reporter

HAIFA. — Mayor Arye Gurel yesterday warned that "all municipal services here may come to a halt if the government fails to deliver an immediate IS1m. grant to Haifa."

In a cable sent to Finance Minister Yigael Hurvitz and Interior Minister Yosef Burg, Gurel claimed that if the grant does not arrive, City Hall will be unable to pay salaries, bills or interest on loans.

"Over six months ago the government set up a special committee to study the problems of Israel's largest cities," Gurel wrote. "To date we in Haifa have not seen a word of its final conclusions and report. Tel Aviv, on the other hand, has received not only its copy of the report, but also a badly needed government grant."

Gurel demanded to know the recommendations made by the committee and what steps have been taken to implement them.

Black & Decker
40% TRADE-IN DISCOUNT
Ashdod: 4 Rogozin St.
Tel Aviv: 39 Itshak Sadeh St.
Tel Aviv: 44 Petach Tikva Rd.
Jerusalem: 210 Jaffa Rd.
Haifa: Checkpost/Acco Rd.
Rishon le-Zion: 100 Herzl St.

Peres denies he slighted Reagan

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Labour Party chairman Shimon Peres yesterday hotly denied reports emanating from Washington that he had spoken disparagingly about Republican presidential candidate Ronald Reagan's qualifications in the sphere of foreign policy.

Several Israeli papers yesterday reported that Reagan and his advisers resent statements made by an unnamed Israeli politician, whom they identified as Peres.

The Reagan camp charges that the comments were made during briefings which Peres had given to American reporters. A number of U.S. papers quoted the "Israeli political leader" as comparing his own knowledge of Hollywood film-making to Reagan's familiarity with the Middle East situation.

Peres said yesterday that if such statements had been made, he was not the one to have uttered them.

A spokesman said that Peres met with Reagan and his advisers during his last visit to the U.S. and that he "appreciated Reagan's approach to the problems of the Middle East." But Peres "has never and will never take a stand in the U.S. presidential race and has no intention of interfering in the electoral campaign there in any way," the spokesman said.

...fficer fired for negligence ...Misgav Am terror attack

Post Military Correspondent

...senior officer has been fired, an operations officer has been ...tenced to a 30-day prison stint, ...negligence in the Misgav Am ...or attack. A third officer receiv... a suspended sentence and two ...ers were reprimanded for their ...t in failing to foil the attack ...ch left three dead and 16 wound... ...ast April 7.

...he five were tried by a military ...t on the recommendation of a ...ial army committee chaired by ... commander of the National ...ence College, Aluf Ya'acov ...n. All five belong to the same ... and were responsible for ongo... security matters in the region at the time of the attack. The army spokesman refused to say in exactly what way they were negligent, claiming that details would be detrimental to the security of the state.

The committee was set up by Chief of Staff Rafael Eitan directly after the incident. In addition to recommending action against the five officers, it also made several operational recommendations.

At the time of the attack it was reported that a signal from the electric fence surrounding the kibbutz had been ignored, because the officer in charge thought it was caused by technical reasons and not an infiltration attempt.

...Simpler' Mamilla plan ...o preserve buildings

...y ABRAHAM RABINOVICH
Jerusalem Post Reporter

...e most picturesque building on ...nilla Road and a string of adja... stores are to be preserved in a ...ch simplified" urban renewal ... for Jerusalem's Mamilla dis... architect Moshe Safdie said ...erday.

...nying charges that the plan ... grandiose, Safdie told a press ...erence that plans for un...round roads had been dropped, ...ad the original plan to air... ...ition a shopping arcade ...ing to Jaffa Gate. In addition, ... said, the number of parking ...s in the underground garage to ...ilt outside Jaffa Gate had been ...rom four to two.

...e press conference was called ...Karta, the government-...icipal company charged with ...loping the Mamilla district, ...unter a vigorous campaign be... waged against the plan by the ...ncil for a Beautiful Israel and ... bodies which want the ex...g buildings in the district ...bilitated rather than replaced. ...ezer Ronen, chairman of Kar... ...id he hoped construction of the ...stage of the Mamilla develop... ...t would get under way in ...ary after final approval is ...ved from the official planning ...s. This stage would consist of ...nderground car park and bus ...inal outside Jaffa Gate and a ...-square-metre shopping arcade stretching from Jaffa Gate to the eastern end of Mamilla Road.

The first stage will take three and a half years to complete and cost an estimated $20m. It also involves shifting Jaffa Road five metres closer to the city wall and lowering it five metres in a cut that would take it below a pedestrian plaza outside Jaffa Gate. Opponents have charged that this solution would create an unsightly tunnel-like effect at the visual focus point of the Jaffa Gate area. Safdie denied this yesterday.

Implementation of the entire Mamilla plan devised by Safdie and Gilbert Weill would take 10 years, said Ronen. He expressed confidence that the entire project would be financed by foreign investors who see in the commercial, office, hotel and residential complex a profit-making enterprise. Negotiations are under way with two major investors abroad, he said. Safdie estimated cost of the entire project at about $100 million.

The easternmost building on the north side of Mamilla, number 28, is to be preserved in the revised Mamilla plan, the lower two storeys to be used as offices and the upper storey for an institution. The closed shops in front of St. Vincent de Paul Hospice are to be incorporated as commercial space. The room in which Theodor Herzl slept across the street is to be rebuilt inside a new building to be constructed on the site.

...lice want more ...blic vigilance

...usalem's police again warned ...ublic yesterday to report all ...cious objects to the police and ...o approach or touch the ob... Police sappers will be stan...by to investigate every report ...ived, said Tat-Nitzav ...mim Komfort, and patrols ...be stepped up in the city's ...ets.

... police juvenile squad, in ...ration with the Jerusalem ...cipality, is offering various ac...s to school-age children in its ...et camp" programme in ...bourhoods throughout the ci... ...lice chief Komfort said.

... police will also increase ef... to prevent traffic accidents ...ooliganism in public places ... the summer, said a police ...sman. (Itim)

...edy driver fined

...Jerusalem resident caught ...g at a speed of 144 km. per ... on the highway from the ...l to Tel Aviv was fined IS1,500 ...ad his licence suspended for ... months by a Jerusalem ...strate last week.

...usalem traffic judges last ...also imposed IS560 fines on ... drivers who failed to obey a ... policeman's instructions and ...nded their licences for four ...s.

...uck driver whose vehicle was ...aded by six tons while he was ...ed in an accident was also fin... 1,500 by a Jerusalem traffic

Youth soccer team leaves for training

Post Sports Reporter

The national youth soccer team, comprising 18 players up to the age of 19, leaves today for a closed training camp in Koblenz, West Germany. National team coach Jack Mansell will be in charge of the intensive training sessions.

Israel will play the Swiss national youth team in Berne on July 27.

Tennis juniors beat France in Barcelona

Post Sports Reporter

TEL AVIV. — Israel's junior tennis team with players up to the age of 14, yesterday defeated France by 4-1 to take third place in the prestigious Copa del Sol in Barcelona.

Italy and Sweden today play for the first and second place.

Israel's winners were: Gilad Bloom, 3-6, 6-1, 6-4; Amit Naor, 5-7, 7-6, 6-4; and Menashe Tsur, 6-4, 6-2. Bloom and Tsur won the doubles 6-4, 6-3.

Russel Myer lost his singles match 4-6, 6-7.

Maternity hospital in North to reopen

Jerusalem Post Reporter

KIRYAT SHMONA. — Health Minister Eliezer Shostak last week told his director-general to assemble a medical staff from Upper Galilee to man the maternity hospital here, which closed two years ago for lack of staff. The hospital is now undergoing renovation.

It isn't every day that an Israeli bank opens thirteen new branches in New York.

Today July 14th 1980
is an important day for the entire field of Israeli banking
On this day, the Bank Leumi Trust Company of New York
is opening the doors of thirteen additional branches.
In extending our congratulations and best wishes for
continued success to our subsidiary company,
we feel sure that a certain parental pride is excusable.

Tal Aroyo

bank leumi בנק לאומי

Poll says Reagan leads Carter by 10 per cent

LOS ANGELES. — On the eve of the Republican national convention, a new nationwide poll gives Ronald Reagan a 10 per cent edge over President Jimmy Carter, whether or not John Anderson is in the race.

The poll of 1,466 registered voters conducted by "The Los Angeles Times" indicates Reagan has a 49-39 per cent lead over Carter in a two-man race, with 12 per cent undecided.

Reagan leads Carter 40-30 per cent in a three-man race, with 25 per cent supporting Anderson and just 5 per cent undecided.

The survey shows Reagan beating his opponents by a large margin in the West and Midwest, by a small margin in the South, and losing by a small margin in the East. In a three-man race, Anderson runs better than Carter in the West and better than Reagan in the East.

Former U.S. president Gerald Ford, honorary leader of the Republican Party, came into conflict yesterday with the declared aims of the party's prospective presidential candidate, Ronald Reagan.

On Wednesday, at the urging of pro-Reagan conservatives, the Republican Party amended its campaign policy platform to withdraw traditional Republican support for a constitutional amendment guaranteeing equal rights for women.

Yesterday, just as the Republicans were trying to mount a show of unity for today's presidential nomination convention, Ford said he was much opposed to the party withdrawing support for the amendment.

Meanwhile, Detroit, nicknamed "Murder City U.S.A." in the mid-1970's, has been trying to put on a reassuring face for many Republican convention delegates nervous about coming here.

Detroit got stuck with the homicide title in 1974 when it had 801 murders, the highest per capita figure for any major U.S. city.

A newspaper survey conducted among Republicans as they were preparing to come for this week's convention showed that more than a quarter were nervous for their personal safety and four out of five wished the convention was being held somewhere else. (UPI, Reuter).

Republican presidential candidate Ronald Reagan puts some finishing touches to his acceptance speech between meetings with his staff at his home in Pacific Palisades, California. He leaves today for Detroit to attend the Republican convention. (UPI telephoto)

Freed hostage 'looks in good shape'

WIESBADEN, West Germany. — American diplomat Richard Queen, smiling but in a wheelchair, yesterday "looked in real good shape" and went on a brief shopping spree for some new clothes.

Queen, 28, was released on the orders of Ayatollah Ruhollah Khomeini on Friday because Iranian doctors were unable to treat an unspecified neurological problem that affected his coordination.

He first was flown to Zurich before arriving in West Germany on Saturday, where he is staying at the U.S. Air Force Hospital.

Under a mantle of tight security, Queen and his parents left the hospital yesterday morning to shop for clothes in Wiesbaden, where a store manager said he looked in good shape.

State Department and military spokesmen refused to give any details of Queen's condition, but said doctors carried out routine medical checks.

Five slain in Basque ambush

ORIO, Spain (UPI). — Two young terrorists and three anti-terrorist police died yesterday when Basque separatists ambushed a patrol of the paramilitary Civil Guard in the Basque province of Guipuzcoa.

The ambush ended an 11-day lull in Spain's northern Basque country and raised to 68 the number of dead in Spanish political violence this year.

Details of the killing were sketchy, as there were no surviving witnesses to the ambush.

But Civil Guard headquarters in the provincial capital of San Sebastian said the civil guards had apparently tried to return the guerrillas' fire since their bodies were found on the road outside their two patrol cars.

Contract out on the hanging ayatollah

TEHERAN (Reuter). — A drug smuggler on the run has offered a two-million-rial ($28,500) reward for the assassination of roving Islamic Judge Sadeq Khalkhali, the newspaper "Islamic Republic" reported yesterday, quoting a source in the judge's anti-narcotics task force.

Since he was appointed head of the anti-narcotics task force two months ago, Khalkhali has ordered the execution of nearly 200 people.

A reward of 500,000 rials ($7,000) for the assassination of any of his aides was also said to have been offered by the smuggler at the recent funeral of one of his friends who was condemned to death by the judge.

Free Khmer forces fight over control of Camp 007

NONG SAMET, Thailand. — A guerrilla force believed to have links with ousted Kampuchean premier Pol Pot has taken control of a refugee camp near this border village after three days of fighting with a rival anti-Communist faction.

A spokesman for the International Committee of the Red Cross (ICRC) said that 114 people, mostly displaced Kampucheans, had been injured in fighting between the Free Khmer rivals.

Reporters on the scene said that a 550-man Free Khmer force commanded by Mit Don had taken control of Nong Samet, also known as "Camp 007."

About 80,000 inhabitants fled after the fighting began on Thursday. Thai officials said they would be moved back to the camp soon.

Although Mit Don is believed to have cooperated with Khmer Rouge leader Pol Pot, whose forces are battling the Vietnamese just across the border in Kampuchea, Thai military officials said that Pol Pot forces did not take part in the weekend fighting around Nong Samet.

Mit Don's group also has a reputation for masterminding cross-border smuggling and black market operations — the cause of continual complaints from the Vietnamese occupation forces in Kampuchea.

The influence of the racketeers was one reason why international aid organizations shut off food and seed supplies to border points three weeks ago. Officials of the international relief agencies meet in Bangkok today for urgent discussions that could shape the course of aid to thousands of starving Kampucheans.

At issue is whether food and relief is getting to those who need it most — famished civilians and farmers desperately short of rice seed — and how much is being diverted to combatants in the hit-and-run guerrilla war that has racked Kampuchea for more than 18 months.

One result might be suspension of relief supplies to some areas, though this possibility has angered the Thai government.

The agencies meeting here are the ICRC, the UN children's fund (UNICEF) and the World Food Programme, which have borne a large part of managing the relief programme for Kampuchea.

Yesterday, six U.S. armed personnel carriers were delivered to the Thai government as part of an accelerated delivery of arms to the Thai army, a spokesman for the U.S. Embassy said in Bangkok.

The spokesman said two ships carrying 16 other carriers purchased from the U.S. by the Thai government will arrive here later this month and in August. The spokesman said 35 improved M-48 tanks will also be delivered to the Thai government if there is no objection from the U.S. Congress. (AP, Reuter)

Zimbabwe leaders attack Nkomo

SALISBURY (AP). — Two radical politicians in Zimbabwe Prime Minister Robert Mugabe's government have renewed attacks on Home Affairs Minister Joshua Nkomo and also called for top white Anglican churchmen to leave the country.

"I am one who is going to be easily persuaded that Nkomo deserves to be crushed," Manpower Minister Edgar Tekere declared this weekend.

Senator Moven Ndhlovu, addressing a political rally in Nkomo's home province of Matabeleland, suggested that if the minority leader's Patriotic Front "continued to disturb the peace," Zimbabwe should become a one-party state.

The attacks on Nkomo follow charges made by Finance Minister Enos Nkala that Nkomo was involved in unspecified anti-government activities.

Ailing Col. Sanders leaves hospital

LOUISVILLE, Kentucky (UPI). — Colonel Harland Sanders, recovering from pneumonia and still stricken with leukemia, left Jewish Hospital on Saturday and said he was looking forward to getting back to work promoting Kentucky Fried Chicken.

But unlike last month, when he left the hospital after treatment for an earlier case of pneumonia, the 89-year-old Sanders left the hospital in pajamas and a robe, not bothering to put on his familiar white suit and black string tie.

GEOLOGISTS FREED. — The Libyan government released six West German geologists on Saturday after holding them captive for four months.

UN parley on women to discuss Palestinians

COPENHAGEN. — More than 5,000 women from around the world gathered here for the start of a UN conference to review how successful they have been in winning equality. High on the agenda are controversial political issues, including the "rights of Palestinian women."

The conference delegates — including PLO hijacker Leila Khaled, Egypt's Jehan Sadat, Philippines' first lady Imelda Marcos and Soviet cosmonaut Valentina Tereskova — will spend the next two weeks discussing the progress they've made since International Women's Year was declared five years ago in Mexico City.

Lucille Mair, Jamaican secretary-general for the second UN Special Conference on Women, feels progress in women's rights has been "mixed bordering on disastrous" and argued recently that women still come off worse than men in employment, education and health.

The UN Decade for Women, launched in Mexico, had three main objectives: equality, development and peace.

On the 11-point agenda for the Copenhagen conference are controversial political topics.

The proposed agenda, which includes discussions on racism, sexism and health, set aside July 24-25 for debate on a proposed resolution on the rights and conditions of Palestinian women "in an area which has been occupied since 1948."

The resolution avoids all mention of Israel.

The Danish delegation has already made it known it will walk out of the conference if the Palestinian resolution is passed in its present form.

Another political debate was scheduled on the impact of apartheid policies on women in South Africa.

Chairing the conference will be Danish Culture Minister Lise Oestergaard. It will be opened by UN Secretary-General Kurt Waldheim, who said earlier this year that the world economic crisis had worsened the condition of women in many countries.

Khaled is one of the 20-member delegation from the Palestine Liberation Organisation.

Khaled was held briefly by British police in 1970 after an abortive attempt to hijack an El Al airliner over England. Five years later, she headed a PLO group that tried to kill Edward Sieff in London. She told a television interviewer: "We have a list of Jews who help Israel, and we are going to get them." (UPI, Reuter)

Israel's delegation to Copenhagen

Post Diplomatic Correspondent

Israel's delegation to the UN women's conference is led by Hava Harelli, ambassador to Norway. There reportedly was an earlier idea that Aliza Begin head the delegation — just as Leah Rabin headed Israel's team to the Mexico conference in 1975. But the final decision was to appoint a woman who had made a successful career in her own right, and not merely as somebody's wife.

Some of the dozen-odd delegation members were selected on a party-key basis. Foreign Minister Yitzhak Shamir, who was involved in the selection, wanted to ensure a balance between the various politically-affiliated women's groups.

Thus, Likud (Liberals) MK Sarah Doron and Alignment (Labour) MK Tamar Eshel are members of the team, as are Lifsha Jameson-Segal, 75, head of Herut Women's day care centres, and Sarah Meltzer of the religious women's association. Other delegates include Ruth Tekoah, a Wizo activist, Dr. Nitza Shapira-Libai, coordinator of women's affairs in the office of Deputy Premier Yadin, Yael Atzmon, chairman of the Israel Council of Women's Organizations, and Simha Horesh of the World Organization of Jews from Arab Countries.

Travelling with the group is Ovadia Sofer of the Foreign Ministry, who will act as political adviser.

Among the Israeli women activists attending the alternative conference (of non-governmental organizations) will be MK Shulamit Aloni of the Citizens Rights Movement. There was pressure mounted by several U.S. women activists — among them Jewish and pro-Israel groups — for Aloni to be sent in the official Israeli delegation to the UN conference. But the government demurred.

In the end, Aloni's ticket was paid for by the U.S. women's group, and her expenses by a special Knesset budget, arranged by Speaker Yitzhak Berman. Berman acted after approaches by two other MKs, both of them members of the coalition, who argued that Aloni was one of Israel's most articulate women, and her voice should be heard at Copenhagen.

Aloni herself told *The Post* before leaving that she would focus at the conference on the status of Arab women in Moslem countries, contending that whatever criteria are applied to Palestinian women should be applied to other Arab women too.

Botswana leader dies

GABORONE, Botswana (UPI). — Botswana President Sir Seretse Khama died yesterday after a prolonged illness.

Government spokesmen said Khama had suffered from an "incurable disease" but revealed no further details.

His vice-president, Dr. Quett Masire, has become acting president until next week, when parliament meets. Masire will probably be elected president by parliament.

To his followers, Sir Seretse was known as Tau Toona, the big lion. To other African leaders he was known as a moderate, a man who for many years was able to walk a tightrope in relations with white-ruled South Africa and the more radical black nationalist regimes in Angola, Mozambique and Zimbabwe.

Khama became president when independence came and stayed president until he died — in itself a tribute on a continent where political stability is rare. During his presidency Botswana prospered thanks to close economic ties with South Africa even while keeping the friendship of black liberation movements around it.

Botswana under Khama was a "safe house" for political refugees, providing housing, food and medical aid for thousands of them from war-torn states like Rhodesia — now Zimbabwe — and Angola.

It is one of the rare African countries where whites and blacks mix freely and racial distrust is a rarity.

Khama himself married a white woman — Ruth Williams, a former secretary at Lloyd's of London. His daughter is married to a white Dutchman. "We in Botswana stand virtually alone in southern Africa in our belief that a non-racial society can work," Khama said in 1972.

Soviets sweep hippies away from Olympics

MOSCOW (UPI). — Soviet authorities have rounded up Moscow's small community of long-haired hippies with the aim of "cleaning the streets" before the Olympics open on Saturday, dissident sources said yesterday.

At least five young men have been carted off to mental hospitals in recent weeks, the sources reported. Many others have been warned that they may be subject to similar summary penalties.

"Everybody knows the KGB is cleaning the streets for all the foreign tourists," one youth said.

One of the five who was sent to a mental hospital managed to escape with the help of friends after he had been held for 12 days last month, and he told them he had received heavy doses of tranquillizers by forcible injection.

The escaper, a well-educated young rock musician, was recaptured 24 hours later. For his second hospital stay he was taken to Byelye Stolby, a mental institution 30 km. outside Moscow that is notorious for its harsh treatment of patients.

Many other young people who consider themselves non-conformists or hippies have decided to leave town during the Olympics. Others said they would stay close to home during the next three weeks.

Meanwhile, a Soviet newspaper said the CIA and a number of other anti-Soviet organizations in the West are planning subversive activities to disrupt the Olympics.

The newspaper "Sovietskaya Rossia" said yesterday that "a number of U.S. publishing houses are fulfilling orders for subversive anti-Soviet literature which is to be smuggled to Moscow," the newspaper said. "Special firms have been set up to manufacture double-bottom suitcases, underwear with secret pockets, boxes of sweets and cans of coffee stuffed with leaflets and pamphlets (written) on tissue paper."

The newspaper said Soviet authorities were confident they would deflect any attempt to broadcast a political message at the games by the CIA and "anti-Soviet organizations from the U.S., Canada and other western countries."

IN BRIEF

Anderson in Bonn

BONN (UPI). — Presidential candidate John Anderson arrived in West Germany from Cairo yesterday to continue a tour of foreign capitals and meetings with world leaders.

Iranian officers flee to asylum in 'copter

ANKARA. — Two Iranian military officers flew a military helicopter to Turkey and asked passage to the U.S. so they could seek political asylum, Turkish officials said yesterday.

They said the two lieutenants landed their two-seat helicopter in a Turkish border town on Saturday. They were taken to the military garrison.

Arson suspected in Calif. church fire

GARDENA, California (UPI). — Arson was suspected in a Saturday fire that levelled a Buddhist church, with damage and loss of valuable art objects estimated at $750,000. The fire burned for several hours before firefighters were called at dawn to the Gardena Buddhist Church.

Fire department officials said that there was no known motive for arson.

Two killed by bull in Pamplona festival

PAMPLONA (Reuter). — Two people were gored to death yesterday by a charging bull during the bull run at Pamplona's San Fermin festival, officials said.

Vicente Risco Sierra and Jose Antonio Sanchez Navascues were the first fatal victims this year in the festival — a wild combination of drunken revelry, folklore and bullfighting, when bulls are released in the streets.

Blackjack by video in U.S. casinos

ATLANTIC CITY (UPI). — Casinos will go video this week, allowing blackjack players for the first time to gamble on a television tube instead of a green felt table.

The three operating casinos in Atlantic City, granted approval by the Casino Control Commission on June 12, will start to install 30 video machines in their slot machine pits. With a $1 coin, a player is pitted against a simulated blackjack hand appearing on a television-like screen. Unlike regular slot machines, which do not demand skill, video machines allow a player to choose whether to take more cards, double down or stand.

The rich recluse who rummaged in rubbish

LONDON (AP). — William Lewis, a shabby recluse who used to rummage the garbage cans in his street in Battersea, South London, left £168,000 (IS2.2m.) in his will published on Saturday. He was 78 when he died last April.

Eileen Brancaccio, one of Lewis's neighbours, was stunned by the will, in which Lewis left his fortune to his brother George, with whom he lived.

"He was more like a tramp you could find under Waterloo Bridge and he would poke into people's rubbish with his stick," she said. "He used to be a farm labourer and there are rumours that he owned at least one sheep farm in Wales. But he had a social worker looking after him."

BOMB. — A World War II German bomb was discovered intact yesterday by construction workers doing repair work on the remains of a bridge in Tours, the provincial Loire Valley capital.

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ENTERTAINMENT

TELEVISION

EDUCATIONAL: 9.00 Telepele 9.20 The Bobinoa Family 9.35 Handicrafts 9.50 Lost Islands 10.15 Sinbad the Sailor — animated film 16.00 This Is It — live youth magazine 16.55 Ot Ve'Od — TV game
CHILDREN'S PROGRAMMES: 17.30 Little House on the Prairie — Elections (in colour) 18.20 Cartoon
ARABIC-LANGUAGE programmes: 18.30 News roundup 18.32 Sports 19.27 Programme announcements 19.30 News
HEBREW PROGRAMMES resume at 20.00 with a news roundup 20.03 Moresha: Elie Wiesel talks about the Holocaust and the future of the Jewish people 20.30 Eight Thirty — arts and entertainment magazine 21.00 Mabat newsreel 21.30 The Second Hour: new monthly talk show. The first programme features Four Women, a documentary about four women who underwent surgery for cancer of the breast 23.00 Hart to Hart: Colour Jennifer Dead 23.50 Almost Midnight
JORDAN TV (unofficial): 17.40 Cartoons. 18.30 French Hour 18.36 (JTV 3) Big Blue Marble 19.00 News in French 19.10 (JTV 3) Peyton Place 19.30 News in Hebrew 20.00 News in Arabic 20.30 Billy Liar. 21.10 Ike. 22.00 News in English. 22.15 Ike (continued).

ON THE AIR

First Programme

6.11 Musical Clock
7.07 (stereo): Bach: Concerto for Flute, Oboe, Violin and Strings; Schubert: 2 Songs for Male Choir; Bowland: 2 Pieces for Guitar; Mozart: Les Petits Riens, ballet music
8.05 (stereo): Boyce: Symphony No. 8; Beethoven: Serenade for Flute, Violin and Viola, op. 25; Bizet: Carmen, Suite No. 2; Schumann: Fantasiestuecke, op. 12; Mendelssohn: Die Erste Walpurgisnacht, op. 60
10.05 (stereo): Mahler: Symphony No. 4 in G Major (Elly Ameling, Concertgebouw, Haitink)
11.00 Education for All
11.30 Sephardi Songs
12.05 (stereo): Composer of the Week — Handel: Agrippina Overture; Concerto Grosso; Sonata op. 1, No. 4; Royal Fireworks Music
13.00 (stereo): Opera and ballet selection by French composers of the Baroque period — Boismortier: Medea, Fanfare and Dance; Lulli: Excerpts from Armida; Boismortier: Excerpt from Daphnis et Chloe; Rameau: Les Indes Galantes, Suite
14.10 Children's programmes
15.30 World of Science (repeat)
15.55 Notes on a new book
16.05 (stereo): Roots
16.30 (stereo): Youth Concert — the Israel Chamber Orchestra, Arieh Vardi, piano — works by Lulli, Corelli, Bach, and Bartok
17.30 Programmes for Olim
20.05 Everyman's University
20.35 Reflections on the portion of the week with Prof. Yeshayahu Leibowitz
21.00 (stereo): The Israel Baroque Players — works by Purcell, Bach, Handel, Telemann and Vivaldi
22.15 Between the Notes — Music in the Baroque Period — lecture by Dr. Yehudit Cohen; The Collegium Musicum of Tel Aviv University — plays works by Rossi, Gastoldi, Ghizzolo, De Visee and Telemann
23.15 (stereo): Jazz Improvisations for late hours
00.10 (stereo): Choral Music

Second Programme

7.00 This Morning — news magazine
8.10 All Shades of the Network — morning magazine
12.05 Productive Pace — magazine for workers and employers
13.00 Midday — news commentary
14.10 Anything Goes — music, chat
16.10 Health and medicine magazine
17.10 Beautiful Land
18.07 Of Men and Figures
18.48 Bible Reading — Kings II, 10:15-36
19.00 Today — people and events in the news
20.10 Sabbath Songs
22.05 With People — Braille children (repeat)
23.05 The Second Half — women's magazine

Army

6.30 University on the Air — Prof. Yehiel Becker lectures on Virology
7.07 "707" Alex Aaski presents selections of music and items from the morning newspapers
8.05 IDF Morning newsreel
9.05 Morning Sounds
11.05 Israeli Summer with Eli Yisraeli
12.45 Quarter to One — current affairs
14.05 Two Hours — music, art, cinema and theatre reviews; interviews, anecdotes and music
16.05 Matinée with Orly Yaniv
17.05 IDF Evening newsreel
18.05 Eretz Yisrael magazine
19.05 Record in a Needle Stack
21.00 Mabat newsreel
21.35 University on the Air (repeat)
22.05 Facing the Army — youngsters discuss their feelings about military service (repeat)
23.05 Let's Listen — new records and recordings with Natan Dunevitch
00.05 Night birds — songs, chat

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First Programme
10.15-10.35; 11.15-11.35 Programmes for Schools.
13.55 Music programme announcements.
14.10 Children's programmes
15.05 A moment for Hebrew grammar.
01.05 Informal discussion

Second Programme
6.00 Ornyer and Mishna reading.
6.55 Programme announcements
7.53 Driving tips
10.05 Here at Home
12.05 Productive Pace — for workers and employers.
18.45 Today's sports.
01.05 A moment of poetry.

Army Radio
5.03 Popular music (until 6.55)
5.58 Prayer
6.55 Gymnastics

Broadcasts in English
7.00 (Fourth, Fifth) *
14.00 (Fourth, Fifth) *
18.00 (Fourth) *
20.00 (Fourth) *
22.00 (Fifth) *
00.30 (Fifth) *

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CINEMAS

TEL AVIV 4.30, 7.15, 9.30
Allenby: A King for a Day; Ben-Yehuda: Circles; Chen: The Choirboys 4.30, 7, 9.30; Cinema One: Which Way to the Front? Cinema Two: Norma Rae; Dekel: Kramer vs. Kramer 7.15, 9.30; Drive-In: The Sting 9.30; Tarzan in New York 7.15; Esther: I am for the Hippopotamus; Gat: One Hundred and One Dalmatians 11, 4.30, 6.30, 8.30; Gordon: The Great Santini; Hod: The Wanderers 4.30, 7.15, 9.30, adults only; Chomps 11 a.m.; Limor: The Cuckoo's Nest 4, 6.45, 9.30; Maxim: Festival of Children's Films 4.30; Big Wednesday 7.15, 9.30; Megrahi: Can't Stop the Music 4.30, 7, 9.30; Ophir: Morning Star 11, 4.30, 7.15, 9.30; Orly: The Black Stallion 4.30, 7, 9.30; Paris: An American Friend 10, 12, 2, 4, 7.15, 9.30; Peer: Promise in the Dark; Ramat Aviv: A Man, a Woman and a Bank 7.30, 9.30; Tue. also 4.30; Shahaff: Manhattan 5, 7.30, 9.30; Studio: All That Jazz

JERUSALEM 4, 7, 9
Eden: Trinity and Bambino 6.45, 9; Edison: Morning Star; Habirah: The Border; Kfir: One Flew Over the Cuckoo's Nest 6.45, 9; Mitchell: The Sting 6.30, 9; Orgil: What's Up Doc? Orion: The Empire Strikes Back 4, 6.45, 9; Orna: A King for a Day; Ron: Can't Stop the Music 4, 7, 9.15; Semadar: Klute 7, 9.15; Binyenei Ha'ooma: The Wiz; Cinema 1: The Graduate 7, 9.15; Israel Museum: True Life Adventures 11, 3.30.

4.30, 7, 9.30; Tchelet: The Wiz; Tel Aviv: The Empire Strikes Back 4, 6, 8.15, 10.15; Zafon: Tess 6, 9; Tel Aviv Museum: Rough Treatment 7.15, 9.30; On the Way to Glory 11, 4.30; Mon., Tue. at 8.30 — Edvard Munch

HAIFA 4, 6.45, 9
Amphitheatre: I am for the Hippopotamus; Armon: The Choirboys; Atzmon: Kramer vs. Kramer; Chen: The Good, the Bad and the Ugly 4, 8.30; Galor: They Call Him Bulldozer 10, 2, 7; True Story 12, 4, 9; Hirut: The Champions, nonstop; Mavish: The Rocky Horror Picture Show 6.45, 9; Orah: A King for a Day; Orion: West Side Story; Orion: The Passions of Sandra, nonstop, adults only; Orly: One Hundred and One Dalmatians 11, 4, 6.30, 8.30; Peer: Manhattan; Rex: Scum; Shavit: What's Up Doc? 6.45, 9; The Muppets in Hollywood 4

RAMAT GAN
Armon: One Hundred and One Dalmatians 4, 6.30, 8.30; Lily: The Tin Drum 6.45, 9.30; Oasis: The Choirboys 4, 7.15, 9.30; Ordea: You've Been Had...You Turkey 7.15, 9.30; Rama: Hair 4, 7.15, 9.30; Ramat Gan: Breaking Away 7.15, 9.30

HERZLIYA
David: A King for a Day 7, 9.15; Festival of Children's Films 11, 4; Tiferet: Breaking Away 7.15, 9.15

HOLON
Migdal: Circles 7.15, 9.30

PETAH TIKVA
Shalom: A King for a Day 4, 7.30, 9.30; Mon. also 3; Thur. 4, 9.30 only

NETANYA
Esther: A King for a Day 4.30, 7, 9.15

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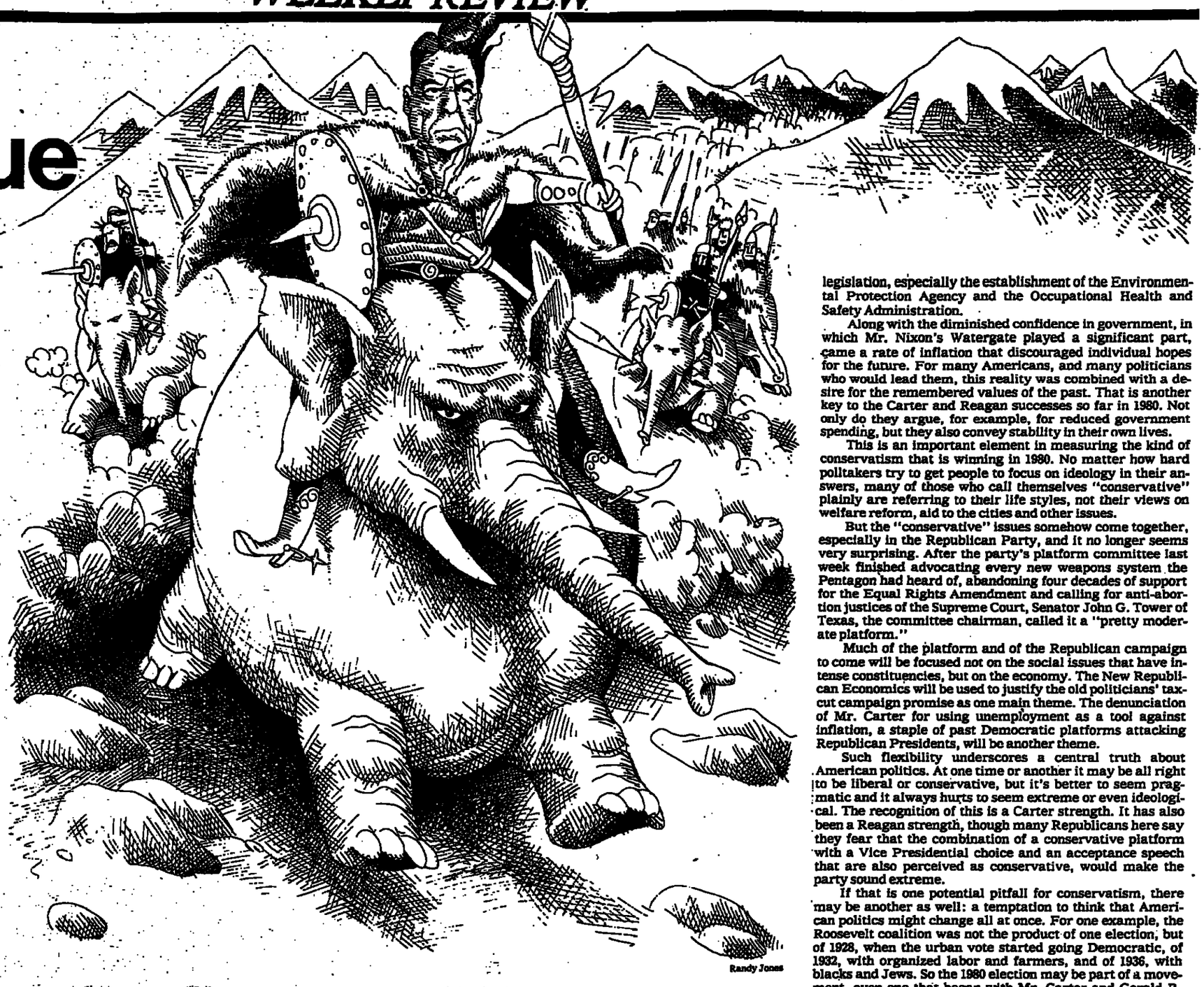
WEEKLY REVIEW

Past Is Prologue



Randy Jones

Detroit May Be A Watershed In the Tide of Conservatism

By ADAM CLYMER

DETROIT — Ronald Reagan comes to the Republican National Convention this week for what he hopes will be the first stage of a dramatic coronation, not only of his personal ambitions but of the conservative values he champions.

As far as Mr. Reagan personally is concerned, this scene can either be one that will be followed by an inaugural address on January 20, or it can be an event with no second act, like Barry Goldwater's week in San Francisco at the 1964 convention. But that group of ideas collected under the heading "conservative" seems certain to last long after the bunting is removed from the Joe Louis Arena.

For this year, to a degree unparalleled in this century, both major political parties seem to have deliberately chosen their most conservative serious candidates. And those decisions do not represent the fallible choices of party bosses, but the choices — perhaps no less fallible but surely more representative — of more Americans than have ever before participated in the nominating process.

Any number of extenuating circumstances make Mr. Reagan's and President Carter's successes this year something more complex than a victory for their ideas. Mr. Carter had the advantages of incumbency, which showed both in the ways he politicked and the ways he profited from events, most of all from the seizure of the hostages in Iran. His liberal challenger, Senator Edward M. Kennedy, was at once the only plausible opponent and one with flaws — from the Chappaquiddick issue to his campaign's early overconfidence — that surprised even Carter partisans in their breadth.

Mr. Reagan had a big field to contend against, but one that didn't settle itself out with George Bush until it was too late. After the early mistake of ducking the Iowa Republican debate, Mr. Reagan started in later televised face-offs. But more important, he too was almost an incumbent in Republican terms; the nomination had always been his to lose unless he blundered, and he didn't blunder.

But frontrunners lose, too, if they are somehow out of step with what their times or their parties demand. Consider Edmund S. Muskie in 1972, or Robert A. Taft in 1952. It does matter that Mr. Carter, if hardly as conservative as Mr. Kennedy sometimes says he is, argues for balanced budgets, tolerates unemployment to fight inflation, and stresses his accomplishments in fields, such as deregulation, that were Republican preserves. And while it is easy to exaggerate the ideological differences among the Republican hopefuls, there is no question that Mr. Reagan was perceived as the most conservative of the major candidates, and that the voters who preferred him thought that was what they were getting.

So, taking both parties together, a majority of the 32 million Americans who took part in the nominating process chose to go conservative. Why?

There is plainly a series of political reasons. Ever-increasing taxes breed frustration with government. For that matter, government breeds frustration with government. Mr. Goldwater's attacks on government came before their time, perhaps, because the nation supported the purposes of the Johnson Adminstration's war on poverty and its other steps in completing the unfinished New Deal. But soon after the Arizonan's defeat, the other war, in Vietnam, brought one sort of dispiriting distrust of government, and the lack of ready success of the Johnson programs brought another.

It was not only the Great Society that became suspect. Much of the bureaucratic red tape that Republicans (and Mr. Carter, too) denounce is the product of Nixon-Ford era legislation, especially the establishment of the Environmental Protection Agency and the Occupational Health and Safety Administration.

Along with the diminished confidence in government, in which Mr. Nixon's Watergate played a significant part, came a rate of inflation that discouraged individual hopes for the future. For many Americans, and many politicians who would lead them, this reality was combined with a desire for the remembered values of the past. That is another key to the Carter and Reagan successes so far in 1980. Not only do they argue, for example, for reduced government spending, but they also convey stability in their own lives.

This is an important element in measuring the kind of conservatism that is winning in 1980. No matter how hard politakers try to get people to focus on ideology in their answers, many of those who call themselves "conservative" plainly are referring to their life styles, not their views on welfare reform, aid to the cities and other issues.

But the "conservative" issues somehow come together, especially in the Republican Party, and it no longer seems very surprising. After the party's platform committee last week finished advocating every new weapons system the Pentagon had heard of, abandoning four decades of support for the Equal Rights Amendment and calling for anti-abortion justices of the Supreme Court, Senator John G. Tower of Texas, the committee chairman, called it a "pretty moderate platform."

Much of the platform and of the Republican campaign to come will be focused not on the social issues that have intense constituencies, but on the economy. The New Republican Economics will be used to justify the old politicians' tax-cut campaign promise as one main theme. The denunciation of Mr. Carter for using unemployment as a tool against inflation, a staple of past Democratic platforms attacking Republican Presidents, will be another theme.

Such flexibility underscores a central truth about American politics. At one time or another it may be all right to be liberal or conservative, but it's better to seem pragmatic and it always hurts to seem extreme or even ideological. The recognition of this is a Carter strength. It has also been a Reagan strength, though many Republicans here say they fear that the combination of a conservative platform with a Vice Presidential choice and an acceptance speech that are also perceived as conservative, would make the party sound extreme.

If that is one potential pitfall for conservatism, there may be another as well: a temptation to think that American politics might change all at once. For one example, the Roosevelt coalition was not the product of one election, but of 1928, when the urban vote started going Democratic, of 1932, with organized labor and farmers, and of 1936, with blacks and Jews. So the 1980 election may be part of a movement, even one that began with Mr. Carter and Gerald R. Ford in the 1976 Presidential campaign. Or it may be a sport.

One way to tell will be to watch in 1984. Will the party whose candidate loses this time conclude, in the amorphous way that American political parties act, that it lost because it mistook the national mood? If the Democrats win, will the Republicans decide to try a less conservative candidate and move back toward the middle? If the Republicans win, will the Democrats decide their mistake was in not holding their own turf, but in moving toward the Republicans? If, somehow, John Anderson wins, will they both decide they took a mistaken turn and lean left?

Major News

In Summary

Republicans Build A Platform From Reagan Blueprints

Ever since Ronald Reagan wrapped up the Republican Presidential nomination, pundits have been saying that the only suspense in the party convention that opens tomorrow in Detroit would be Mr. Reagan's choice of a running mate. But that is only one element in the perennial Republican suspense story. Will the party stress ideological purity over electability? Will its conservatives accommodate the moderates or force them out?

That the question is alive was clear from last week's deliberations of the platform committee. Platforms are not written in cement, nor do they bind candidates — let alone Presidents — but Mr. Reagan's lieutenants were fully in control throughout, managing without difficulty to get planks that accord in virtually every respect with their candidate's conservative views.

The greatest departure from the past is that almost every section of the platform promotes the new Republican proposals for large Federal tax cuts; promises that cutting Government regulation would help the economy are almost as frequent.

The energy plank invoked "the proven American values of individual enterprise" as the solution to the nation's energy woes. That was almost an echo of Mr. Reagan's stump speech phrase about "turning the oil companies loose" to find and pump more oil.

On another volatile issue, the platform writers also followed the candidate, calling for a constitutional amendment to ban abortion and doing it so overwhelmingly that there was no possibility of a floor fight this week.

The abortion plank was one half of a twin bill that produced the only platform fireworks. The other was the committee's retreat from 40 years of backing an Equal Rights Amendment. It voted support for equal rights for women, but refused to endorse the pending amendment, which is stalled three states short of the 38 needed for ratification. That provoked an impassioned speech from Mary D. Crisp, the party's now-ousted co-chairman and an E.R.A. proponent, who warned of the party's suicidal tendencies.

Said Mrs. Crisp: "Although our party has presented the outward appearance of vibrant health, I'm afraid we are suffering from serious internal sickness." That brought a sharp response from Mr. Reagan, suggesting that Mrs. Crisp "should look to herself and see how loyal she's been to the Republican Party for quite some time." Mrs. Crisp left the convention; supporters of amendment hope to press Mr. Reagan for a more favorable position when the former California Governor arrives in Detroit tomorrow.

That was the extent of the rancor, however. In foreign policy, the only (mild) surprise came in the news that Henry A. Kissinger, Secretary of State to Presidents Nixon and Ford and abhorred by the party's right, has been meeting with Mr. Reagan's foreign policy adviser. And, with an an eye to the polls that have Mr. Reagan running close to or ahead of President Carter, party pragmatists, no matter how great their purity, reached out to catch some Democratic eyes, with planks on urban problems, blacks and blue-collar survival. The candidate himself proposed a four-point economic recovery program that matched and went beyond President Carter's new auto plan *(see summary, page 2)*; and would also repeal the Credit Control Act and Federal gas allocation rules.

As for the suspense, Mr. Reagan was reportedly pondering a list of 10 vice presidential candidates, all of whom appear to fulfill the only stated requirement, that the running mate's views be compatible with his own.

Representative John B. Anderson, a Republican who most assuredly is not on the Reagan list, pursued his independent candidacy last week by embarking on an 11-day trip to five nations in Europe and the Middle East. In Israel, his first stop, Mr. Anderson took a strong pro-Israeli stance on the peace negotiations; in Egypt, he explained his views to President Anwar el-Sadat. At home, aides filed nominating petitions in his behalf in Maryland and Georgia and won a court ruling in New Mexico that suggested that early filing deadlines in other states as well are unconstitutional.

Medical Discharge For One Hostage

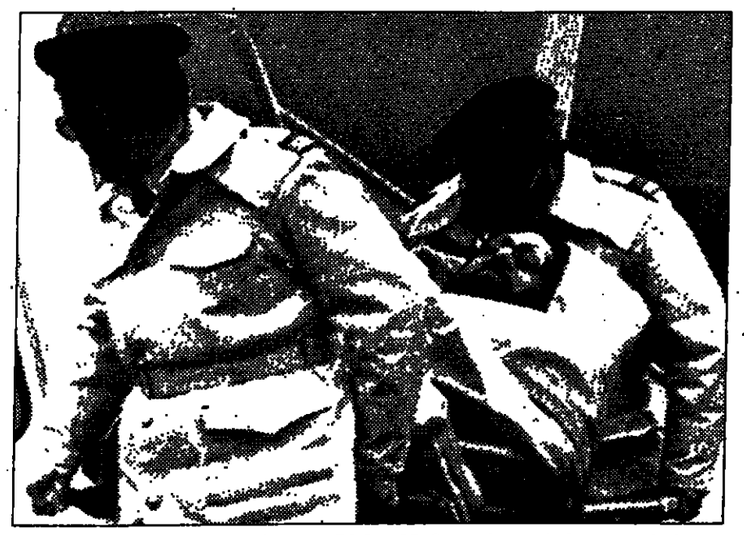
While seemingly indifferent to the mental duress suffered by 53 American hostages during more than eight months of captivity, Iranian militants have insisted they were assuring the hostages' physical well-being. Last week, possibly wary of the consequences if harm befell even one of their charges, the militants released Richard I. Queen, saying the 28-year-old diplomat was psychologically ill.

Mr. Queen flew to Zurich where doctors found him "in good spirits and sound psychological condition." His main symptom, he said, was dizziness. His captors may have suspected viral brain disease, he added. Later, he was flown to an American military hospital in Wiesbaden, West Germany.

He has "no harsh feelings toward Iran," he told his mother. His father said their son had gone to Teheran as a vice consul last summer expecting it would be "exciting to see a revolution." But even before the Nov. 4 embassy takeover he had found the Iranian brand disheartening.

Also evidently disheartened were 17 Iranian military officers, led by a divison commander, who were put on trial last week on charges of plotting to take over military installations and bomb the homes of President Abolhassan Bani-Sadr and Ayatollah Ruhollah Khomeini, the Supreme Leader. The President said it was the sixth such counterrevolutionary plot.

The wheels of revolutionary justice also turned for seven men charged as drug traffickers and executed in Teheran by a firing squad. Police also fired on street vendors protesting an edict banning their stalls. And an Islamic prayer leader suggested death as a deserved penalty for women objecting to veiling their heads and bodies.



Released American hostage Richard I. Queen is carried to an ambulance in Zurich, Switzerland.

Carter Makes His Bows to the East

Mindful of Washington's Japan and China cards in superpower dealings with the Soviet Union, President Carter flew halfway around the world last week to attend a memorial service in Tokyo and meet with Hua Guofeng, China's Prime Minister.

Placing three white carnations on an altar bearing the ashes of Masayoshi Ohira, the Japanese Prime Minister who died on June 12, Mr. Carter paid America's respects to its leading Asian ally. Afterward, ignoring oriental protocol, Mr. Carter surprised Mr. Ohira's widow with a Georgia-style kiss of condolence.

The journey was reassuring for Japan and other Asians concerned over whether "we had forgotten that this part of the world existed," Secretary of State Edmund S. Muskie said.

After meeting with Mr. Hua, who has his own troubles in Peking *(maneuvers among China's leaders, page 5)*, Mr. Carter said that growing Chinese-American friendship would "minimize the threat of the Soviet military buildup." He called for combined efforts to maintain peace and to oppose invasions "exemplified most vividly" by the Russian occupation of Afghanistan and "support of the Vietnamese invasion" of Cambodia. He also paid courtesy calls on Liberal Democratic Party leaders, notably Zenko Suzuki, a former Agriculture and Fisheries Minister who is expected to be Japan's next Prime Minister. *(Power and the press in Tokyo, page 5.)*

Oil Tax Backfires In Connecticut

Connecticut has for many years managed to raise extra money while avoiding a state income tax, but its latest device, a tax on gross receipts of oil companies, was dealt a serious blow last week. A Federal judge ruled that the state could not prevent the companies from passing on to customers the $60 million cost of the 2 percent levy.

The ruling by Senior District Court Judge M. Joseph Blumenfeld is expected to have a profound effect on the economy and politics of the state. If the tax is not repealed in a special legislative session sought by the state's Republican leadership, it could add 1.8 cents to 8 cents a gallon to the cost of heating oil (it cannot be figured into the cost of gasoline without the Department of Energy's permission).

Failure to repeal the tax would likely put the Democratic majority, which supported it, in disfavor with voters. If it is repealed, it will leave a hole in the state's precariously balanced $2.7 billion budget.

Judge Blumenfeld ruled unconstitutional the provision of the law that prevented the companies from charging Connecticut customers more than consumers in other East Coast states. He said the provision was a form of price control reserved to Washington. Earlier this year, New York enacted a similar oil tax to raise $235 million for mass transit. State officials said they were confident the ruling would not shake New York's tax, which differs from Connecticut's in some ways.

Harper's Hears The Angels Calling

Harper's magazine, having stopped the presses for good last month, is starting them again. The distinguished 130-year-old monthly of literature and current affairs was purchased last week by two prominent foundations who will operate it as a nonprofit enterprise.

Harper's saviors are the John D. and Catherine MacArthur Foundation of Chicago, based on the legacy of an insurance billionaire, and the Atlantic Richfield Foundation, founded by the oil company. No price was named, but in June the magazine's owner, the Minneapolis Star and Tribune Company, was asking $250,000.

The foundations have committed $3 million to future operations. One condition blocking past efforts to sell Harper's had been the owner's insistence that any buyer show the resources to keep the magazine, which reportedly has been losing money at the rate of $1.5 million a year, alive.

As a nonprofit publication, Harper's will be eligible for reduced postage rates, which may help it out of its hole. If it ever becomes profitable, the income will have to go to charitable purposes. Meanwhile, the staff is still in place and Lewis H. Lapham, editor since 1976, is to stay on.

When Harper's demise was announced on June 17, the August issue was to have been its last. Fortunately, optimistic editors kept working, and Mr. Lapham says the September issue may be a week late on the newsstand but will not fail to appear.

Behind China's sunny front, shadows of a party struggle 4

The Nation

In Summary

The Ties That Bind Have the Kennedy Forces In Knots

After the primaries, Edward M. Kennedy's last hope had been an outbreak of panic at next month's Democratic nominating convention in New York. There, according to the dream scenario, delegates anxious to keep Ronald Reagan out of the White House would desert President Carter and rally round the also-ran.

Despite Mr. Carter's low standing in the polls, there have been few signs of panic abuilding Last week, a convention rules committee further lengthened the odds against Mr. Kennedy. The committee approved a rule — technically a recommendation to the convention — binding delegates on the first ballot to the candidate they had initially pledged to back. The debate over the rule, which wasn't on the books for the 1976 and the 1972 conventions, was bitter, even by free-swinging Democratic standards.

A Kennedy backer said the proposal stemmed from "paranoia." A Carter supporter shot back: "When you have a dying campaign on your hands, you do things you wouldn't ordinarily do — just to prolong the agony." Dying campaign or no, the Senator said he'd try to overturn the panel's recommendation at the convention.

The committee did toss Mr. Kennedy's supporters a bone. The Administration didn't like the 1978 mid-term miniconvention (mainly because the Senator dominated the scene and teed off on domestic Administration policies). But a proposal to hold another in 1982 narrowly cleared, with the assistance of some Carter delegates.

With a nod to voters who stand to be alienated by the Republican convention's platform and its pronouncements on women's issues, the committee voted to make permanent a requirement that half the delegate seats at nominating conventions should be filled by women. It also decreed that, with race, sex, age and national origin, "sexual preference" should not be grounds for excluding an individual from participating in the party.

Low-Octane Relief For Auto Makers

Like the Republicans, President Carter went to Detroit last week, just long enough to display something he now has and they so far lack — the power to provide White House help, or at least a package called help, for an ailing bellwether industry.

After two months of study and wide disagreement in the Administration over exactly what to do for the nation's car makers, beleagured by fuel efficient foreign models and bedeviled by the recession, Mr. Carter announced only one palpable item of assistance: relief from regulations, notably some emissions standards and job enviromental protections. It was not clear how much this would reduce the multibillion dollar retooling costs the industry faces, or how many autoworkers it would put back to work (40 percent are now laid off). Neither special tax relief nor import relief, both of which the industry wanted, were forthcoming. A Republican auto plan, announced yesterday, would add the former, but also opposed protectionism.

What *was* clear last week were the industry's difficulties. Ford slashed its quarterly dividends to 30 cents a share from $1 to conserve cash, and admitted that it was discussing building cars in the United States with its Japanese rivals. General Motors, declaring that consumer preference had made Government fuel-economy standards irrelevant, declared it was going to exceed them by 1985; only a year ago, it led the industry in demanding a relaxation of Washington's timetable.

Chrysler, already underwritten by a Federal loan guarantee of $1.5 billion, announced it was raising passenger car prices by $160 on the average, or 2.2 percent. The increase, like recent G.M. and American Motors rises, will eventually show up in the inflation indexes, one of which last week confirmed that the nation's underlying rate is between 9 and 10 percent.

But the June wholesale price rise of 0.8 percent, as R. Robert Russell, director of the White House's Council on Wage and Price Stability, pointed out, also "shows you inflation isn't over." Nor is the recession. In May, consumer borrowing dropped a record $3.43 billion. One reason Americans are not buying was the White House's now-dismantled anti-inflation credit controls. Another is rising joblessness.

Fugitive Finds Winds Unchanged

Shortly before noon on March 6, 1970, three explosions and a fire tore through a four-story town house in New York's Greenwich Village. Two young women, one of them Cathlyn Platt Wilkerson, whose father owned the house, staggered from the wreckage and quickly disappeared. Authorities sifting through the rubble found parts of three bodies and evidence that the basement had been used as a bomb factory for the radical Weathermen.

Last week, Miss Wilkerson reappeared, accompanied by two lawyers. She surrendered in the office of District Attorney Robert M. Morgenthau

Cathlyn Platt Wilkerson

and was arraigned on charges of illegal possession of dynamite and criminally negligent homicide. With a number of restrictions imposed on her movements, Miss Wilkerson was released on $10,000 bail.

A fugitive no more, Miss Wilkerson would not say where she had been or why she surrendered, and would not discuss the explosion. Complaining that the political and social climate was no better than a decade ago, when the Vietnam War was raging and the Weathermen demonstrated their resistance by planting bombs in corporate and government offices, she said, "The conditions are the same and I have the same commitment to struggle against them."

Instead of Safety, A Desert Inferno

Even in a world where horror stories of Cambodian refugees and Vietnamese and Haitian boat people are commonplace, last week's report on a band of Salvadorans lost in the southern Arizona desert was singular. Two dozen men and women, led by four guides they had paid $4,800 to smuggle them into the United States, walked in 115-degree heat into the 516-square-mile emptiness of the Organ Pipe Cactus National Monument.

Before their first day had passed, they exhausted their water and were fighting over and drinking anything liquid, including their own urine. By the second day, 13 of the group, including a guide, had died of dehydration; 14 others were rescued by local authorities and the United States Border Patrol.

The survivors said they were part of a larger group fleeing the civil strife in El Salvador; some had been caught crossing the border at Yuma, Ariz. That the Border Patrol discovered the Salvadorans while any remained alive was almost an accident.

Immigration and Naturalization Service officials said last week that unusual demands — checking on 50,000 Iranian students and processing a flood of Cuban refugees — had overstretched their resources. And, as 79 more Cubans arrived in Florida by houseboat, state and local officials complained that Washington is providing less money than they had been led to expect, to reimburse their costs for serving the Cubans and Haitians.

Abscam Reporter's Role on Trial

Abscam defendants have begun having their days in court, but an interested bystander may draw one of the first jail terms to result from the investigation. Jan Schaffer, a reporter for The Philadelphia Inquirer, was cited for contempt of court at a pretrial hearing last week and ordered jailed for refusing to confirm whether she had held a phone conversation with the local Federal prosecutor.

Federal District Court Judge John P. Fullam's order — delayed until an appeals court review — came during a hearing for three Philadelphia City Councilmen and an attorney indicted in the Federal Bureau of Investigation's Abscam inquiry. The defendants were trying to show that the Government had tainted its case by leaking information to the press before grand jury proceedings began. Other Abscam defendants elsewhere have made similar claims; last week, four Congressmen, including Democratic Representatives John M. Murphey of New York and Frank Thompson Jr. of New Jersey, went to court to argue the charges against them should be dismissed because the Goverment had lured them into criminal situations.

Earlier in the week, Peter Vaira, United States Attorney for the Eastern District of Pennsylvania, testified that he had phoned Miss Schaffer on Feb. 2 to alert her that the first press accounts of the Abscam inquiry were about to break. Mr. Vaira denied giving her any details beyond verifying information she offered. The judge, who had earlier refused to call reporters to the stand, then permitted questioning of Miss Schaffer because Mr. Vaira had, he said, waived any claim of confidentiality. A spokesman for The Inquirer said Miss Schaffer's silence was justified because merely confirming that she had spoken to Mr. Vaira could lead to other questions designed to elicit confidential information from her.

Caroline Rand Herron, Michael Wright and Don Wycliff

As Use of Polygraph Grows, Suspects and Lawyers Sweat

By ROBERT PEAR

WASHINGTON — In the Middle Ages, authorities attempting to distinguish truth and lies sometimes resorted to trials by ordeal. A suspect would carry a red-hot iron or plunge his hand into boiling water; if he remained unscathed, or healed within a reasonable time, he was assumed to have told the truth.

The polygraph, or lie detector, has replaced such rituals in the armory of modern investigators. And, despite questions about its trustworthiness, its use is sharply increasing. The Justice Department is wiring some of its own employees to polygraphs as it investigates the unauthorized disclosure of details about the Abscam inquiry.

Peter F. Vaira, the United States Attorney in Philadelphia, and Thomas P. Puccio, chief of the Federal Organized Crime Strike Force in Brooklyn, testified in Federal court last week that they had taken polygraph tests in the department's internal investigation. Quentin G. Ertel Jr., public information officer for the Federal Bureau of Investigation in New York, said he refused a polygraph test because he did not consider the procedure reliable.

In another case, the Justice Department recommended last December that President Carter dismiss Herman Sillas Jr., the United States Attorney in Sacramento, after he reportedly failed two polygraph tests in which he was asked about allegations that he had taken a $7,500 bribe. Mr. Sillas has denied the allegation and the White House is still reviewing the case.

Attorney General Benjamin R. Civiletti said recently that an employee's refusal to take a polygraph test might give rise to an "adverse inference" about his conduct. The implications for Mr. Ertel are not clear. The F.B.I. in May adopted guidelines stating that refusal to submit to lie detector testing, by itself, shall not be the sole basis for disciplinary action and "all reasonable efforts" must be made to clear up allegations without use of a polygraph.

Many civil libertarians say that the polygraph is inherently intrusive, that the testing process, in which a person is wired to the machine, invades privacy and degrades human dignity. But its use, by Government agencies and private industry, is increasing because it has proven useful in steering investigators toward certain suspects and away from others.

The Federal Bureau of Investigation conducted 1,900 polygraph examinations in 1979, an increase of about 800 from 1978. The number of polygraph examinations administered by the Army, Navy, Marines and Air Force increased by 18 percent in two years, from 5,710 to 6,751. Polygraphs are finding a steadily growing market among state and local law enforcement agencies, litigants in civil cases and private retailers, who use the device to screen job applicants and to combat pilferage.

State courts have increasingly permitted the introduction of polygraph test results as evidence because, with technical improvements, the machine appears to have become more accurate. In a recent case in Westchester County, People v. Daniels, a lower state court said that the circumstances cried out for admission of polygraph evidence offered by a defendant over the prosecutor's objections.

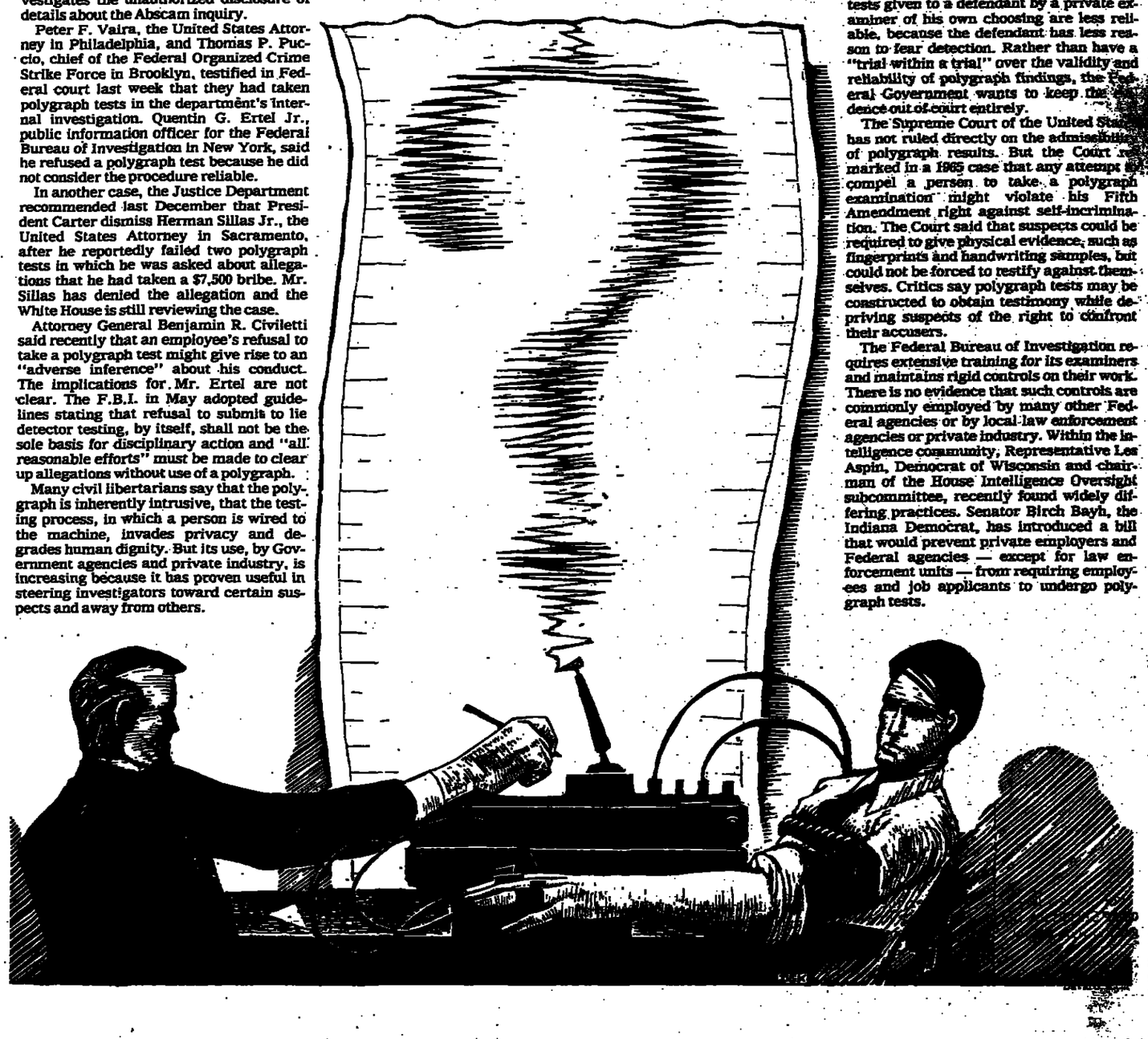
"If the evidence has substantial probative value and is relevant to the issue and does not endanger defendant's rights, or prejudice the jury, nor mislead the proper administration of justice, then it should be admitted as any other evidence," the court said. "Fingerprints, ballistics evidence, blood tests, voice prints, neutron activation analysis and others have all passed the same standard and have been admitted into evidence for the jury's evaluation."

Robert Pritchard, vice president of the Lafayette Instrument Company, manufacturer of polygraphs, said that "the machine has changed drastically in the past 20 to 30 years." The information is more precise, he said, because the electronics industry has provided integrated circuits and other components that reduce the margin of error in measurement.

Although the Justice Department frequently uses the polygraph in its investigations, it staunchly opposes the introduction of polygraph evidence in Federal criminal trials. Department lawyers trust their own polygraph data, but maintain that tests given to a defendant by a private examiner of his own choosing are less reliable, because the defendant has less reason to fear detection. Rather than have a "trial within a trial" over the validity and reliability of polygraph findings, the Federal Government wants to keep the evidence out of court entirely.

The Supreme Court of the United States has not ruled directly on the admissibility of polygraph results. But the Court remarked in a 1965 case that any attempt to compel a person to take a polygraph examination might violate his Fifth Amendment right against self-incrimination. The Court said that suspects could be required to give physical evidence, such as fingerprints and handwriting samples, but could not be forced to testify against themselves. Critics say polygraph tests may be constructed to obtain testimony while depriving suspects of the right to confront their accusers.

The Federal Bureau of Investigation requires extensive training for its examiners and maintains rigid controls on their work. There is no evidence that such controls are commonly employed by many other Federal agencies or by local law enforcement agencies or private industry. Within the intelligence community, Representative Les Aspin, Democrat of Wisconsin and chairman of the House Intelligence Oversight subcommittee, recently found widely differing practices. Senator Birch Bayh, the Indiana Democrat, has introduced a bill that would prevent private employers and Federal agencies — except for law enforcement units — from requiring employees and job applicants to undergo polygraph tests.



Pot Is Now the State's No. 4 Agribusiness and the Law's No. 1 Frustration

California Marijuana Farms Yield a Billion-Dollar High

Riverside Press-Enterprise

A sheriff's deputy confiscates marijuana plants in Riverside County, Calif.

By PAMELA G. HOLLIE

LOS ANGELES — On tracts hidden away in the mountains and forests of the northern coastal counties and in containers arranged boldly on big-city backyard patios, California seems abloom with marijuana these days. Though cultivating marijuana is a felony, the weed is plentiful and profitable. Indeed, except for cattle, milk and cotton, marijuana earns more than any agribusiness, more than $1 billion annually. In no other state is more marijuana smoked and produced, authorities say.

In part because the stakes are so high, cultivating marijuana is becoming an increasingly violent way of making a living. In the last three years, two persons have been killed and a number of gunfights and kidnappings have been attributed to disputes among growers. Not long ago, an observation plane carrying four sheriff's deputies was fired on by a sniper, presumably an angry grower. One of the deputies, who were being trained to spot marijuana from the air, was wounded in the attack.

Law enforcement agencies have staged a number of raids. Last fall, in one suburban county southeast of Los Angeles, more than 40 tons of marijuana were cut down or burned. This year, California Attorney General George Deukmejian has promised an even tougher crackdown. With a Federal grant, helicopters and specially trained deputies, a task force will concentrate on several counties, including Humboldt and Mendocino in the north, which are recognized as the state's principal growing areas.

Necessity Mothers an Invention

The trade in marijuana is unregulated and untaxed, and there appear to be few counties that do not produce at least $1 million worth of marijuana annually. Estimates of the size of the state crop vary widely, and only one county reports marijuana in its agricultural statistics. Mendocino County conservatively estimated the street value of its 1979 crop at $1.2 million. The business has become so profitable that the Internal Revenue Service has decided to start trying to collect some of the unreported income from growers. Agents already have started files on some of those allegedly in the business.

California owes much of the growth of its marijuana industry to Mexico's efforts, begun in 1976, to stop the trade there by spraying marijuana fields with the poison paraquat. Mexican marijuana continued to flow north, but an increasing number of California users feared lung disease from paraquat-tainted pot and turned to the domestically grown product. California growers — who typically harvest and sell leaves to dealers who then peddle one-ounce bags on the street — now supply about 30 percent of the marijuana smoked in the state. There is not enough to export.

In the last five years, California growers have developed their own potent weed called California sinsemilla — Spanish for "without seed." Growers found that when pollination occurs, the female plant uses some of its tetrahydrocannabinol — the active ingredient in marijuana — to produce seeds. By preventing pollination, the growers force the plants to store the surplus THC in superpotent buds. California sinsemilla is recognized by users as superior to the old Mexican marijuana and sells for up to $200 an ounce, compared with about $40 an ounce for regular marijuana. When raids reduce the supply, the price goes even higher.

Some northern California communities have come to depend on the crop. In Garberville, a little town in Humboldt County where new businesses have opened and the growers have made political allies and gained financial clout, the townsfolk don't talk to strangers about the area's crop. "Don't need no publicity," said Ted Kogan, a nine-year resident of the area.

The more firmly entrenched the industry becomes, the more state law enforcement officials doubt that their eradication efforts will succeed. Last year, officials estimated that they destroyed less than 10 percent of the estimated crop. What is more, marijuana cultivation simply does not have a high priority with most local law enforcement officials. The Humboldt County District Attorney, Bernie DePaoli, says that the stiffest penalty he will seek for a large grower — one in the $300,000 cash crop bracket — is a year in the county jail.

Except for the state's raids on growers, little has been done to rid California of the crop. Prosecutions are rare and difficult, since the fields are seldom owned by the grower and, unless a grower is caught during harvesting in the fall, possession is often hard to prove. The marijuana isn't easy to find. Many fields are tucked away in rugged state parks. Some growers cultivate as many as 50 small plots.

In addition, marijuana growers have become a new sort of folk hero in California. Hiding out in the mountains and the deserts, they are often romanticized as refugees from the cities who have eked out a life in the wilderness fighting poachers, lawmen and the elements. Of course, many growers are nothing of the sort, but rather practical businessmen and blue collar workers.

Growing even one marijuana plant is a felony in California, even though possession of an ounce is but a misdemeanor, an offense about as serious as a traffic ticket. Pro-marijuana groups are trying to change the law. They would like to see cultivation for personal use legalized. Alaska is the only state which has such a law.

The California legislature, however, has resisted any change. Although an estimated 7 million people — about 42 percent of the state's adult population — have smoked marijuana, legislation introduced by Assemblyman Willie Brown Jr., a San Francisco Democrat, to allow an adult to grow marijuana for personal use failed in the last session of the legislature. An initiative proposition, supported by the National Organization for the Reform of Marijuana Laws, a group based in Washington, D.C., failed to make the November ballot in California.

Such setbacks, however, do not affect the big growers, who would get no protection from such changes. For them, the battle will be won or lost in the fields.

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The World

In Summary

Bashir Gemayel

Among Lebanon's Christians, No Love Is Lost

Since the Christian right and the Moslem-Palestinian left paused in their war for Lebanon four years ago, they have kept their martial skills honed mostly by fighting among themselves. Last week, in one of the bloodiest "peacetime" battles, the largest Christian force, the Phalangists, attacked and seemed to vanquish a smaller Christian group led by former President Camille Chamoun.

More than 100 persons were killed, many tortured and their bodies mutilated, in the attack against Chamounist bases in East Beirut, and northeast along the coast and in the mountains. The Phalangists were left in control of 400 of Lebanon's 4,000 square miles and a spokesman proclaimed that "for the first time since the 14th century, the Christians are united militarily." He said the Phalangists, under their current warlord, Bashir Gemayel, would build one militia that would eventually "liberate" the rest of Lebanon from "Palestinian occupation."

The spokesman omitted any mention of the third wing of the old Maronite Catholic triumvirate, the militia of former President Suleiman Franjieh, which runs the Lebanese north. Mr. Franjieh's forces have been fighting the Phalangists since they murdered his son, Tony, two years ago.

The Franjieh clan is allied with Syria, whose intervention in the 1975-76 war — at President Franjieh's request — saved the Christian side.

For the past few years, however, the other Christians have been trying to get the Syrians out, and to that end have accepted Israeli aid. The Chamounists have been especially close to Israel and virulently at odds with Syria. When, during last week's fighting, the 30,000 Syrian peacekeepers still based in West Beirut and in the Bekaa valley did not intervene, Israeli sources suggested that the Phalangists had reached an understanding with Damascus. Other Lebanon observers noted, however, that the Syrians would have had a hard time stopping the Phalangists.

On the other side of the ideological and religious divide, two of the Moslem left's 17 factions battled in West Beirut. These militias, with a few other private armies, the numerous factions of the Palestine Liberation Organization, the new Lebanese Army and a United Nations peacekeeping force, subdivide much of the Lebanese south, except for a strip along the Israeli border where rightist Christians, backed by Israel, hold sway.

So much for the Phalangist notion of one Lebanon.

Are the Stars and Stripes Forever?

Whether France and West Germany are each other's best friend is debatable, but at least the two countries' leaders continue to find reasons for closer cooperation. Last year, President Valéry Giscard d'Estaing and Chancellor Helmut Schmidt together devised ways to insulate their economies from weakness in the dollar. Last week, they hoped to strengthen military cooperation as well, in the face of what they both view as wavering leadership from Washington.

Mr. Giscard d'Estaing, on a state visit to Bonn and four other West German cities, conceded that the North Atlantic Treaty Organization, which is led by Washington, "is necessary for our security" — to balance Soviet power. But he made a bigger point of calling for "a strong and independent Europe" and "the re-emergence of a European presence, acting in its own way for its own ends" in world arenas. France has pushed for a special Europe-Arab relationship that would assure its oil supplies.

"The idea that Europe can play a special role in world affairs is something which Germany did not perceive a few years ago and which it now accepts," he added with typically French tutorial modesty.

Washington was annoyed at both leaders recently when they paid separate visits to Leonid I. Brezhnev.

In Bonn, they compared notes on their failure to budge the Soviet leader from his refusal to end the Afghanistan invasion and on the Brezhnev proposals for East-West talks to limit nuclear missiles in Europe.

Before replying, the United States is consulting with its allies on formulating a NATO consensus.

In Baden-Baden, Mr. Giscard d'Estaing reviewed some of the 50,000 French troops stationed in West Germany. (There are more than 200,000 United States forces there.) The Chancellor welcomed the French President's decision to modernize its nuclear deterrent forces, which Mr. Giscard d'Estaing has said may include a French neutron weapon.

But they were reportedly having difficulty in dividing the burden of costs and technology for another joint project, a new battle tank.

Often a Winner, Seldom a President

For two years, Bolivians have been trying to re-elect Hernán Siles Zuazo as President, but generals and colonels and old civilian rivals have prevented it. Last week, with the near-complete tally from the June 29 elections giving Mr. Siles a 250,000-vote lead, his nearest competitor, Victor Paz Estenssoro, dropped out of the race. Not yo have done so, he said, "would be against the democratic process of the country and against the people who want a stable constitutional government."

The desire to create a stable democracy may be strong among Bolivia's five million people after nearly 200 changes of government, many of them violent, in 155 years of independence. But will the military let them have their way?

Mr. Siles, during his last administration from 1956 to 1960, was considered a moderate. However, he has moved left since then, breaking with Mr. Paz, another former President, and his backers now include young militants of the Revolutionary Left Movement and what Mr. Siles has called Bolivia's "inoffensive" Communist Party.

In 1978, the military permitted the first elections in a decade, but reverted to arm-twisting and stealing and stuffing ballot boxes when it appeared that Mr. Siles would win.

In relatively clean elections last summer, Mr. Siles again led contenders, but failed to win a majority. The choice was left to Congress, which installed a compromise centrist who was promptly overthrown in a military coup.

Under United States pressure, elections were rescheduled last month, but again, Mr. Siles has won only a plurality, with 38.74 percent of the vote. His followers won 57 seats in the 157-member Congress, 22 short of a majority.

But his rival's concession seems to assure that Congress will elect him on Aug. 4 — unless the military again intervenes.

Afghan Flames, Olympic Torch

With the Olympics beginning Saturday in Moscow, Soviet forces would like to lie low and avoid embarassing headlines. No such luck. Afghan rebels forced Moscow's hand, raiding a Soviet camp north of Kabul a week ago and reportedly causing heavy casualties. Soviet troops retaliated in a three-day onslaught that witnesses said killed hundreds of persons, including some civilians.

Nearly seven months after the Russians invaded, Afghanistan's population remains unsubduable, despite the reported infusion of specially trained Russian commandos (Red Berets?) and weapons such as a new assault rifle, shells filled with needle-like projectiles and cluster bombs.

One night last week, banners demanding the Russians get out were draped from trees and walls across from the heavily guarded Soviet Embassy in Kabul.

British intelligence sources estimate that 1,000 Soviet soldiers have died and 5,000 have been wounded since December. Western analysts predict that Moscow will mount a major campaign after the Olympics, involving as many as 200,000 soldiers. Despite the well-advertised pullout of a few armored and missile units last month, the Soviet force is said to have remained constant at 83,000 men.

The operative number for the Moscow Olympics is 82, six nations fewer than the number that competed four years ago in Montreal and 40 fewer than in Munich in 1972. Officials of the International Olympic Committee said last week, however, that the success of the Moscow Games will be determined not by the number of participants but by the number of world records set.

The success of another American-led sanction against Moscow was even more in doubt. Argentina agreed last week to deliver 22.5 million metric tons of corn, sorghum and soybeans to Moscow over the next five years. Australia announced the sale of 2 million tons of wheat to Moscow.

But the Carter Administration said this was in line with its expectations when it stopped the shipment of 17 million tons of grain to the Soviet Union earlier this year.

Barbara Slavin
and Milt Freudenheim

Europeans Tend to the Middle in Middle East

By CHRISTOPHER S. WREN

CAIRO — For the last few years in the Middle East, Western Europeans have been content to sit like wallflowers at a dance, watching Egypt and Israel waltz around clumsily while the United States chaperoned and other Arabs tried to trip them up.

The dance was scheduled to resume this week in Cairo, where working committees will return to the sensitive issue of Palestinian autonomy. Few observers expect any progress in the negotiations, however, until the American elections in November.

Arab League foreign ministers who gathered in Jordan last week left no doubt about their continuing opposition to the negotiations. They assailed United Nations Security Council Resolution 242, which has been the foundation for almost all peace efforts since 1967, because it treated the Palestinian issue as only a refugee problem. They endorsed instead a 1974 resolution calling for Palestinian self-rule.

This still left the Arabs common ground with a calibrated declaration on the Middle East issued by the nine leaders of the European Economic Community in Venice last month. It said the Palestinian people should be able to "exercise fully its right to self-determination" under a negotiated settlement and that the Palestine Liberation Organization "will have to be associated with the negotiations."

Encouraging the Moderates

The statement, which also reiterated Israel's right to exist in peace, was criticized by Israel as too attentive to the Palestinians, and by some Arabs, including the P.L.O., as not being solicitous enough.

However, Egypt and other moderate Arab states, such as Jordan, gave the European initiative a cautious welcome. The Venice statement revived interest in a European role that could, in the words of one Western European diplomat, "hold the moderates together while we wait for the United States."

The Europeans may expand their role at a special session of the United Nations General Assembly next week on the Palestinians. Arab states purposely scheduled the session after the Venice meeting in hopes of attracting European support, rather than the usual abstention, for a strong resolution. If the Arabs succeed, it will be their greatest diplomatic feat to date.

Western Europe's stake in the Middle East long predates American involvement. Until a few decades ago, Britain and France shared a cozy hegemony ranging from French-run North Africa to the British-dominated Persian Gulf sheikhdoms and Iraq. Italy exploited its colonial foothold in Libya.

The United States was relatively indifferent to the dynamics of the Middle East beyond Israel until the 1973 war, after which former Secretary of State Henry A. Kissinger sought a step-by-step disengagement of forces. The Western Europeans, who bore the brunt of the 1973-74 Arab oil embargo and the ensuing skyrocketing oil prices, initiated their own political dialogue with the Arabs, but this fizzled when Egypt set out on its independent course.

European patience with the Camp David forum that emerged from Egypt's intiative began eroding once it became evident that the negotiations were not attracting other moderate Arabs. The conviction set that the United States would not do anything serious before November and in any case probably could not accomplish much before elections in Israel produced a more conciliatory government there.

Concern over the stagnation, among Europeans and Arabs, has been heightened by the mounting tension in the occupied West Bank of the Jordan and by instability in Iran and Afghanistan.

(The Mayor of the West Bank town of Nablus, Bassam al-Shaka, who lost both legs in an explosion June 2 blamed on Jewish terrorists, returned home last week from a Jordanian hospital to a tumultuous welcome.)

"A lot of Europeans question whether they can afford to sit back and wait until Camp David works," said a Western European diplomat based in Cairo. "We're all dependent on Middle East oil and we're nearer the firing line than you are."

Israel has accused the Western Europeans of tilting toward the Arabs because of oil. But the Europeans became sensitive to the Palestinian complaint and its regional ramifications before the oil squeeze. "It is not just oil," a European diplomat said. "The Middle East is strategically and commercially important to Western interests."

Moderate Arabs have been heartened by the European statement at Venice, viewing it as more realistic and flexible than President Carter's hedged endorsement of Palestinian rights at Aswan in early 1978. Though President Anwar el-Sadat has been wary of getting upstaged by a European effort, the Egyptians sense its value as a lever on the other participants. A senior Egyptian diplomat remarked that the Common Market statement could not have been better if he had drafted it himself.

"We believe that any effort to pressure Israel and to force the hand of the Americans is welcome and important," another Egyptian official said. "If Carter decides to lean heavily on Israel, it would help him for the Europeans to show a strong hand."

At Venice, the Common Market leaders agreed to dispatch a fact-finding team to meet "all the parties" in the Middle East, which would include the Palestine Liberation Organization. The mission is expected to be led by Gaston Thorn, the Foreign Minister of Luxembourg and new President of the Market's Ministerial Council.

Beyond that, no one shows any sign of knowing how to proceed. The suggestion by King Hussein of Jordan that negotiations be shifted to a broader forum, perhaps under United Nations auspices, has been met generally with awkward silence.

Egypt, for all its impatience with Israel, is unwilling to give up the Camp David formula. "If we go to a larger international forum, there will only be a lot of rhetoric again," one Egyptian official said.

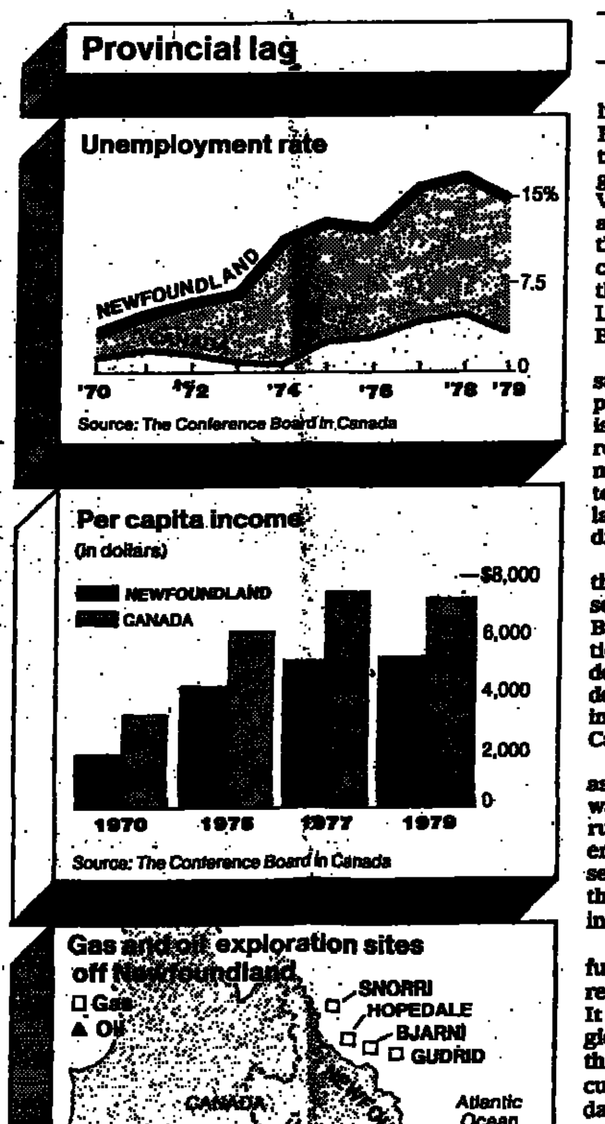
Arabs and Europeans alike seem aware that the United States, because of its relationship with Israel, will have to have a principal role in any settlement. But until Washington acts, the Western Europeans can shore up the crumbling middle ground for those Arab states balanced precariously between Egypt and Arabs opposed to any peace with Israel.

Katherine Young/Sven Simon

Saudi King Khalid (left) and West German President Karl Carstens in Bonn last month.

New Oil Finds Last Week Heightened Expectations in Canada's 'Appalachia'

Suddenly, Newfoundland Is Not a Laughing Matter



By ANDREW H. MALCOLM

TORONTO — At first it didn't have a name, being lumped in Europe's consciousness with Greenland, Iceland and all those other cold places somewhere in the direction of North America. Some early misguided visitors dubbed it "Brasil." Then King Henry VII called it "newe founde launde." Later, it earned a capital letter as "Newfoundland." But to outsiders the fog-shrouded island off Canada's northeastern coast has for centuries been little more than a stop on the way to somewhere else — to the mouth of the St. Lawrence River, to the fishing grounds of the Grand Banks and to refuel on flights to and from Europe.

That is changing. Newfoundland, the poverty-stricken pile of rocks that launched the British Empire and grudgingly joined Canada only 31 years ago, is fast becoming a destination in its own right. The reason is familiar: oil and natural gas. Earlier this month, the Mobil Corporation announced promising tests of its Hibernia O-35 well 200 miles off Newfoundland. On Friday, it announced an oil and natural gas discovery at its offshore Ben Nevis well.

Mobil's finds are just part of an exploration effort that has proved more successful than similar searches off New Jersey. Companies like Chevron, British Petroleum and Petro-Canada, Canada's national oil concern, are sinking hundreds of millions of dollars off Nova Scotia, Newfoundland and Labrador. Such offshore spending has sparked new onshore investments in an area that historically has been Canada's Appalachia.

The rest of Canada tends to think of Newfoundland as a place of quaint coves, abundant cod and backward "Newfies" who provide endless material for rube jokes. But a new generation of Newfoundlanders has come of age, and they are smart enough to see what it will mean if, as some experts suspect, they are sitting next to offshore oil and gas deposits in a league with the North Sea's fields.

The possibility that Newfoundland might export fuel to New England and reduce eastern Canada's reliance on foreign oil has already launched a boom. It threatens to topple the precariously balanced regionalism of the Canadian Confederation. And it also threatens to swamp Newfoundland's special island culture in a sea of cowboy boots and Texas accents, a danger the provincial Conservative government seeks to counter with requirements guaranteeing a degree of local control and local economic benefits. "In our way in our own bay," is the slogan of Premier Brian Peckford.

Economics and politics in Newfoundland have been managed by outsiders more often than not. Representative government did not arrive until 1855, and was suspended when the government went bankrupt in 1934 and Britain reassumed direct control. Fifteen years later, Newfoundlanders voted by the narrowest of margins to become Canada's 10th province.

Like much of Canada, Newfoundland relies on extracting natural resources — fish from the sea, timber from the land, hydroelectricity from the rivers, iron ore from the ranges of its mainland foothold in Labrador and now, oil from the offshore shelf. Typically, these resources have gone elsewhere for processing and sale, leaving Newfoundland chronically short of jobs. The province has Canada's highest birth rate, lowest death rate and highest unemployment rate (15 percent overall and over 50 percent in some communities). As one result, thousands of impoverished Newfies reluctantly shuffled off to the bright factory lights of Toronto and Ontario until relatives could find them a job back home.

Newfoundland and Newfies have never quite seemed to jibe with Canada's self-image. Their newness in this 113-year-old nation, their geographical and, some say, mental isolation, and their time zone 30 minutes ahead of the rest of North America have set them apart. Newfoundland is Canada's most homogeneous province; 99 percent of its 573,000 citizens speak English. But it is a heavily accented English sprinkled with antique phrases and local proverbs that leave mainland listeners with blank stares. One example: "Nofty was 40 when he lost the pork" — an expression derived from scoring a local card game and roughly translated as: "You can never be certain about anything."

That saying might now be applied to Newfoundland's role as Canada's have-not corner. The growth of Newfoundland's educational system, mounting mainland appreciation for its cultural diversity, and the rising national prominence of such articulate Newfoundlanders as former Conservative finance minister John Crosbie have wedged large cracks in the old Newfie image. And the recent emergence of Newfoundland's Premier Peckford as an outspoken, assertive and, some would say, abrasive spokesman for increased provincial powers has added new strength to the centrifugal powers always at work within Canada. Mr. Peckford has suggested that the Federal Government should be but an agency of the provinces, a stand directly opposed to Prime Minister Pierre Trudeau's federalism. At immediate issue is the control of offshore resources. Since the provinces control resources under their soil, Mr. Peckford says the same holds true under their water. Mr. Trudeau disagrees.

Vowing to use the province's resources for the maximum local return, Mr. Peckford says, "We've allowed the mainland and the U.S. to tell us who we are. I'm sick and tired of that." He personifies, he says, a new generation of Newfoundlanders who have undergone a "revolution between the ears."

Mr. Peckford has sought to renegotiate the sale of Labrador power at bargain rates to Quebec. He has pushed Newfoundland texts into local schools, founded a local arts council and had a committee design a new provincial flag (the old one was still the Union Jack). And he is talking tough to the big oil companies, mostly American, requiring stiff royalties, partial provincial ownership, training in skilled trades for local workers and local supply purchases.

The ripples of sudden billions in investment are spreading. A three-bedroom bungalow renting last year for $340 a month now goes for $625 on an eight-month lease. In May alone, Newfoundland's cost of living jumped 1.3 percent. But after generations of poverty, Newfoundlanders appear determined to change their lot. "We are damn fed up with being the big losers in Confederation," Premier Peckford says. And that is not a Newfie joke.

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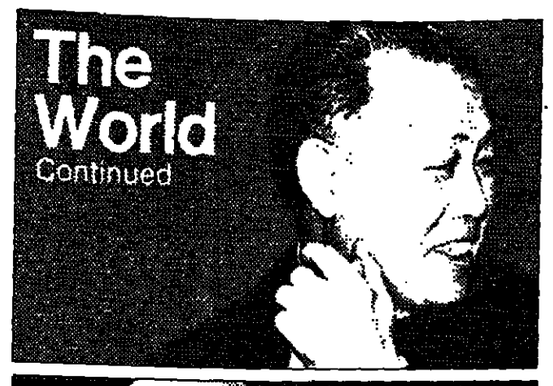
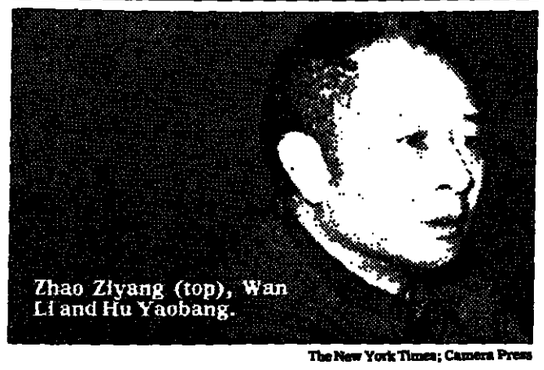
The World
Continued





Zhao Ziyang (top), Wan Li and Hu Yaobang.

The New York Times; Camera Press

Behind China's United Front, Tremors of a Party Struggle

By FOX BUTTERFIELD

PEKING — As the guests were departing after a recent official banquet in the Beihai Park, one of China's new leaders noticed an American newsman standing by the roadside. The official, Wan Li, the chief trouble-shooter for Deputy Prime Minister Deng Xiaoping, sent his daughter over to offer the correspondent a ride home. In China's determinedly hierarchical society, where top Communist Party officials travel in curtain-shrouded luxury sedans, it was a totally unexpected gesture.

Mr. Wan's action reflects something of the spirit which the leaders installed earlier this year are trying to bring to bear on China's problems — more open, direct, concerned to get results. Last month, Mr. Wan, who is 64 years old, and Hu Yaobang, the new General Secretary of the party, visited Tibet where they candidly admitted Chinese policy had failed to spur prosperity for Tibetans and ordered wholesale reforms.

But along with this activism there have also been troublesome portents, signs of continued conflict over key personnel appointments and policies. Western diplomats in Peking believe there is a serious squabble building over whether and when Hua Guofeng, the Communist Party Chairman, should give up his other post as Prime Minister. And some entrenched, older bureaucrats clearly feel threatened by the new leaders' attempts to introduce a retirement system for officials and by their revamping of China's balky centralized economy. The first open test of these issues will come at the meeting next month of the National People's Congress, China's nominal legislature.

Officially, Peking insists it is more stable and united than at any time since the halcyon early 1950's, soon after the Communists' triumph. No doubt there is a measure of truth to this, but the puzzle of Mr. Hua's fate suggests the difficulty of fully accepting the official version.

Mr. Hua, who met President Carter for the first time last week in Tokyo, originally had accepted an invitation to visit the United States this year. Then, without explanation, he kept declining proffered dates and the visit became a dead letter, diplomats say. Why?

Some suggest that Mr. Hua felt it wiser to stay home and maneuver to keep his Prime Minister's post. It is widely believed that Mr. Deng wants to replace him with Deputy Prime Minister Zhao Ziyang, the 61-year-old former party chief of Sichuan Province. Although Mr. Hua has proved malleable, is careful to avoid political commitments and often echoes Mr. Deng, he suffers from having been hand-picked by Mao Zedong.

Last spring, Mr. Deng disclosed that Mr. Zhao, a practical and proven administrator, had been placed in charge of the daily work of the Government, evidently taking over Mr. Hua's duties. Mr. Zhao is the third member of the troika Mr. Deng has maneuvered into top spots as his eventual successors. The others are Mr. Wan, also a Deputy Prime Minister, and Mr. Hu.

Clearing the Bureaucratic Deadwood

However, Mr. Hua seems to be fighting back, seeking a constituency among conservative party and army leaders disgruntled by Mr. Deng's policies. At an important conference on political work in the army in April, Mr. Hua trotted out an old political slogan from former radical times: "Exalt the proletariat and exterminate the bourgeoisie." This was a sharply discordant note.

Last week, before heading for Japan, Mr. Hua took a trip under military auspices to Luda, the naval port in the northeast. Perhaps, some Chinese feel, it was Mr. Hua who prevented one of Mr. Deng's favorite officers, Xu Shiyu, from becoming army Chief of Staff last spring and instead secured the appointment of a man not notably close to Mr. Deng. Previously, most diplomats felt that the army automatically stood with Mr. Deng, a former political commissar. But if his policies threaten their jobs and interests, might they not look to a more sympathetic voice?

In turn, there has been indirect sniping at Mr. Hua. The People's Daily reported last week that Xiyang County in Shanxi Province, where China's former model agricultural brigade, Dazhai, is located, had repeatedly overreported its grain harvest during the 1970's by as much as 25 percent. Two weeks ago, the Communist Party paper had disclosed that an extravagant $67 million irrigation project in the county had been abandoned as wasteful. Mr. Hua had earlier associated himself with the county and Dazhai.

Mr. Deng has also increased pressure on Mr. Hua by announcing that he intends to give up his own Deputy Prime Minister's post at the National People's Congress next month, retaining only his party vice chairmanship. That is part of Mr. Deng's plan to begin moving tens of thousands of aged and incompetent cadres toward retirement, possibly including Marshall Yeh Jianying, the N.P.C. head, to be replaced by Peng Zhen, the former Mayor of Peking who was purged along with Mr. Deng in the Cultural Revolution.

In a recent secret speech, General Secretary Hu reportedly warned that reforming the cadre system is China's most pressing problem. A draft of a revised party constitution now circulating would limit officials to two or, at most, three five-year terms of office, with exceptions for particularly valuable high-level people. Mr. Hu is said to have suggested that, in the future, cadres might have to stand for election.

There is no provision now for retirement for party officials. Few appear ready to quit voluntarily and give up their wide range of perquisites, from better housing and chauffeur-driven cars to access to special food shops and connections to get good jobs for their children. The People's Daily recently attacked this lifetime tenure as "a reflection of the remnants of feudalism in our society."

As an example of the system's dangers, a Chinese official pointed to the recent collapse of a Chinese offshore oil-drilling rig in the Bohai Gulf, with the loss of 70 people. He blamed the party secretary of the rig, who used his authority to overrule his engineers after they warned against moving the rig as a storm approached.

To judge by the Chinese press, there are also still arguments over Mr. Deng's economic program to downgrade China's previous glamor sector, heavy industry, and put more emphasis on consumer goods, housing, energy and transportation, longstanding weak spots. Evidently, some officials have charged that Mr. Deng's policy of giving more material incentives to peasants and factory workers is not socialism.

The Chinese press, however, has not addressed the question of what socialism is. An editorial last week in the People's Daily ventured only to say that "the superiority of socialism in the final analysis manifests itself in its ability to attain a higher productivity than capitalism." It then commended the capitalist method of putting economic factors ahead of political ones as the way to assure productivity.

To the agnostic Chinese, the name may not matter. It was the Chinese who called drowning a baby girl "bathing the infant." And it was Peking which recently rehabilitated the late head of state, Liu Shaoqi, toppled by Mao in the Cultural Revolution, insisting that Liu was a great exemplar of Mao's ideology.

Japan's Press Pays a Price for Its Awesome Power

By HENRY SCOTT STOKES

TOKYO — Every night the reporters came. They dropped their shoes in neat rows in the narrow entrance hall, Japanese-style, and crowded politely into a small living room of the modest home to wait for the owner to give them scraps of inside information.

Masayoshi Ito, the host, kept up this ritual during his first three days as acting Prime Minister. Then, on June 15, his long-suffering wife packed his toothbrush and socks and Mr. Ito moved to the official Prime Minister's residence designed by Frank Lloyd Wright. "At last I had a good night's sleep," Mr. Ito later told the reporters' "club" covering him. Until he took over after Prime Minister Masayoshi Ohira died, he had never felt the pressure of a Japanese reporters' club in full pursuit and, unlike Mr. Ohira and other millionaire leaders of the ruling Liberal Democratic Party, he did not have a lavish Tokyo home to accommodate them.

The Japanese press, as Mr. Ito's experience demonstrates, has extraordinary powers. Convention allows reporters to pursue a politician from early morning until late at night, sometimes ending with a nightcap at his home. Every evening, chauffered limousines line up outside the Tokyo dailies, ready to ferry reporters to the homes of politicians. Reporters also have the run of most Government offices and may question bureaucrats with impunity at their desks. But there is a corollary: In return, they are expected to be discreet and they rarely abuse their powers of access. Selecting from a wealth of "background" information, they write highly speculative reports — not always accurate — often overshadowing their newspapers' formal editorials. They play a role in the political process that is probably unrivalled in any Western industrial democracy.

Press power was apparent in the last two weeks as the ruling party struggled to name a successor to Mr. Ohira. At first, the newspapers concentrated on two candidates, Yasuhiro Nakasone, a former party secretary general, and Toshio Komoto, formerly Minister of Trade. When deadlock ensued, a compromise candidate was found — Zenko Suzuki, a 68-year-old veteran politician whose name, until then, had not been mentioned. In retrospect, it appeared that if the press had picked Mr. Suzuki at the start, and later had come up with the other candidates, the outcome could have been different. Was the choice actually dictated, in a subtle way, by the newspapers? Japanese reporters reject the suggestion, but none can deny that their vast organizations, with thousands of reporters and circulations above 10 million, played an intimate role in the choice among unannounced candidates who had been waiting until after Mr Ohira's memorial service last week to make their moves.

"The curtain came down before the play began" said Shigesaburo Maeo, a party leader, just before the memorial service that brought President Carter and Chinese Prime Minister Hua Guofeng to Tokyo. Without a word on the record from any candidate, the press plumped for Mr. Suzuki and the two other potential candidates then deferred to him. This was the result of intimate, hour-by-hour, contacts between top politicians and reporters. Sometimes carrying messages between the party's powerful factions, journalists helped to form the consensus for Mr. Suzuki.

But the close press involvement in the political process also has drawbacks. The "big three" national newspapers — Yomiuri (circulation 12.9 million), Asahi (12 million) and Mainichi (7.3 million) — have enormous power. Yet, in preserving their proximity to the politicians, they pull their punches, often failing to pursue scandals involving their sources. Many Japanese feel that they do not fully inform the public. A case in point involved the state-controlled telecommunications giant, Kokusai Denshin Denwa. Early this year, there were disclosures of K.D.D. gifts, some amounting to bribes, to 190 members of Parliament and top officials, including several Cabinet ministers. The press covered the case heavily. Yet, with the approach of the elections on June 22 — handsomely won by the Liberal Democrats — the press let the scandal slip. It did not follow up on the failure of the police to detain any recipients of the company's largess. The authorities even declined to reveal whether they had questioned the politicians and bureaucrats. By election time, public indignation had faded.

On policy questions, the newspapers' role is mixed. On foreign policy, among Liberal Democrats, the consensus behind general support of United States positions is not controversial. In economic policy, Nihom Keizai, the leading financial daily, is able to predict important budget and monetary moves weeks ahead of time. (Several television anchormen have been elected to Parliament, capitalizing on national name-and-face recognition. But the broadcasters are not considered influential as policymakers.)

For the young reporters in the "clubs" — in daily contact with the mighty — intimate glimpses of power provide a psychic payoff. But to some extent, the system emasculates what is potentially the most world's most powerful democratic press. Japanese say "shikata ga nai," resignedly accepting the situation. "It can't be helped."

Other World Events

India Recognizes Heng Samrin

Having pleased the West by calling for the Soviet Union to quit Afghanistan, India did Moscow a favor last week by becoming the first non-Communist country to recognize the Vietnamese-installed Cambodian regime. Such gestures may seem contradictory — the foreign interference India condemned for keeping Babrak Karmal in power in Afghanistan props up Heng Samrin in Cambodia — but together they spell nonalignment in India's dictionary.

Seoul Purges 232 Officials

Last month, South Korea's strongman, Lieut. Gen. Chon Too Hwan, forced 10 politicians into early retirement on corruption charges and also removed 300 Korean Central Intelligence Agency employees. Last week, 232 more high Government officials were washed away in the General's cleansing binge. But President Carter, evidently unimpressed, declined to meet Korean officials after memorial services in Tokyo for Prime Minister Masayoshi Ohira.

Muskie Pitches for Foreign Aid

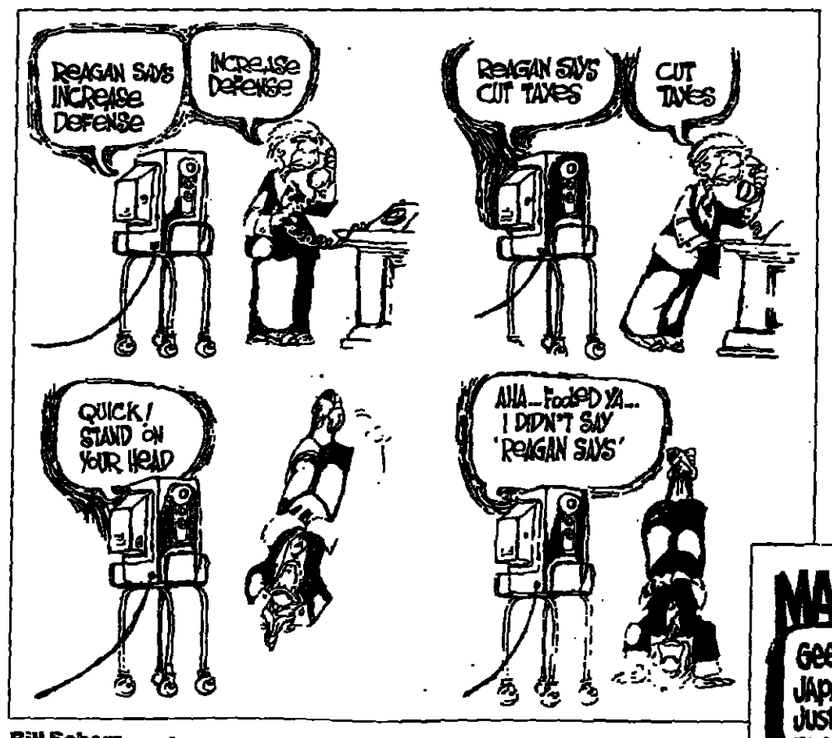
You can't demand more American leadership in the world and refuse to pay for it, Edmund S. Muskie told the Foreign Policy Association last week. Congress' penny-pinching on foreign aid, the Secretary of State said, "threatens to strip America of all its instruments except the instruments of destruction." Congress has balked at additional appropriations for the Export-Import bank and has approved only 16 percent of American obligations to the World Bank.

Civil Strife in Mozambique

When Zimbabwe was Rhodesia, a group of Mozambicans who sought the overthrow of President Samora Machel was trained and supported by the Salisbury Government. Now that the Zimbabwe rebels whom President Machel sheltered are in power, the Mozambican dissidents have nowhere to turn. Last week, Mozambique announced that its army had captured the main camp of the National Resistance Movement, 30 miles from Zimbabwe, killing 272 rebels.

Views

A portfolio from around the nation



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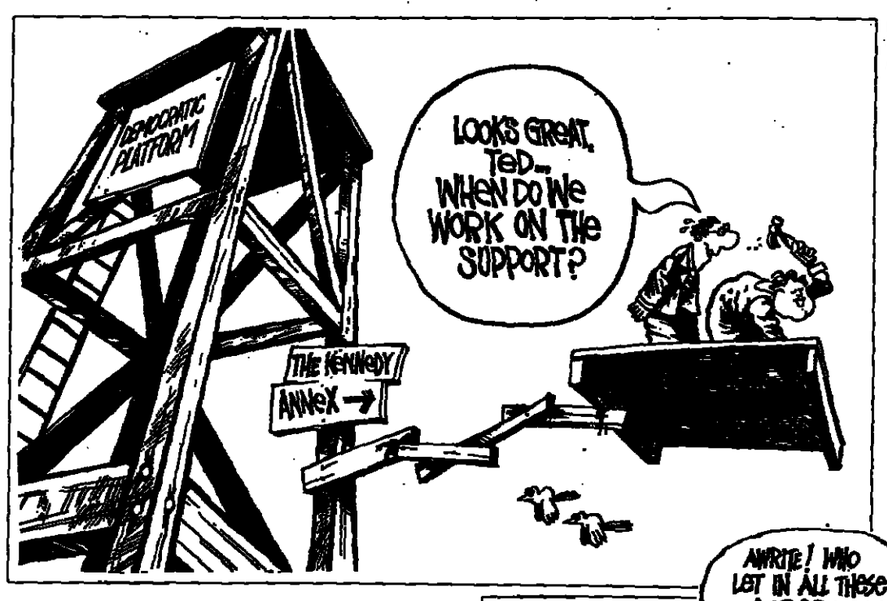

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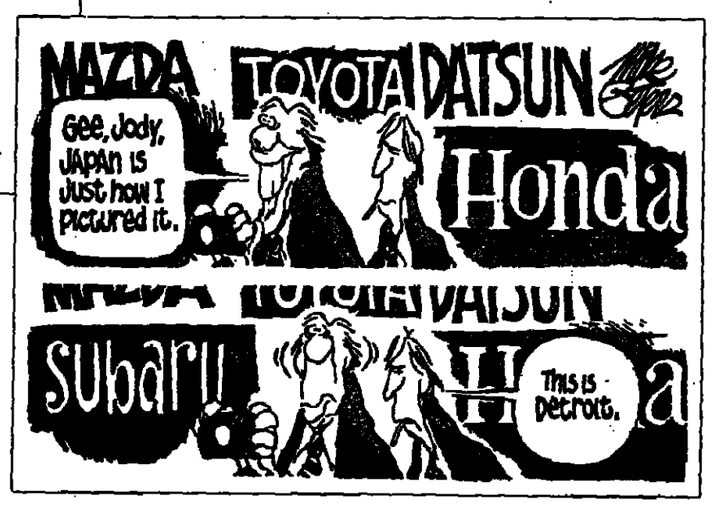

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The Dayton Daily News
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Three Not-So-Disinterested Observers Take On the Recession, Inflation, Recovery and Each Other

Is This the Road to Ruin? And Where's The Off-Ramp?

THE troubles of the American economy were plain last week, in the White House's package of help for the unemployment-ridden automobile industry and in June's 0.8 percent wholesale price rise.

Edward Cowan, a reporter in the Washington Bureau of The New York Times, and Caroline Rand Herron, an editor of The Week in Review, talked about those troubles, and others, with Robert Lekachman, economist and Distinguished Professor at Lehman College, City University of New York; Ray Marshall, Secretary of Labor; and Herbert Stein, chairman of the Council of Economic Advisers in the Nixon and Ford Administrations. Excerpts follow.

Question. Is the current recession symptomatic of a more profound loss of economic vitality?

Mr. Lekachman. A number of bad things have come together. In no particular order of magnitude — One, of course, is the continuing effect of OPEC.

A second is some of the overdue bills on the way we've been running this society. Environmental expenditures have gone up. They're business costs, but our national accounting doesn't really measure the offsetting benefits.

Q. You're suggesting the economy is doing better than conventional output figures indicate?

Mr. Lekachman. That's my guess about it, and guess, I guess, is the word.

This is not quite the end of my list. From a European and Japanese standpoint, things have been going right. We now meet increased competition among countries at a somewhat similar stage of economic development. We could (also) regard OPEC as a big first installment on the Third World's collections from the First World for real wrongs, fancied wrongs, rhetorical wrongs.

This is an untidy list. But it adds up to what looks like a genuine crisis. And I've left out one thing. We have made a fair effort to rectify injustices toward minorities. In the long run, I agree with Milton Friedman, which may be the last time I ever make such a statement: When you widen the pool of human talent, in the end you're going to get productivity gains. But in (affirmative action's) beginnings, probably some productivity price is paid.

Indicting Public Policy

Mr. Stein. Since I entered this field in the 1930's, I'm rather reluctant to recognize the existence of profound changes. We are suffering from a number of problems, which have to be kept basically separate and are mainly the consequence of errors of public policy over the past 20 years.

We are most obviously suffering from a recession. But the American economy has gone through lots of recessions. By and large, they're not traumatic experiences for the country as a whole; I don't expect this one will be. This recession may be more severe than most; that will really be a consequence of a failure to take inflation seriously.

The basic but really more difficult problem is the slowdown in the growth of productivity. I keep insisting we don't know the causes. Many people say we do; I think we don't really know quantitatively. I would (add) one problem which is going to be dominant in the next 5 or 10 years — the need for a substantial increase in our expenditures for defense. We are not yet facing up to the implications.

But all in all, this is a tremendously productive economy. I'm not particularly concerned that the Japanese or Germans are rising in productivity more rapidly than we are. With some changes in emphasis, we can get through a period — which may be a grim period — of some five years or so, and come out to a much more satisfactory condition.

Q. Did your indictment of short-sighted public policy include the Nixon as well as the Carter Administration?

Mr. Stein. Absolutely. But in different degrees. We at least in our time can say that we did not have our own experience to look back upon. I think it's terrible to have made our mistakes. It's doubly terrible to repeat them.

Q. We'll come back to your mistakes. Mr. Marshall?

Mr. Marshall. Well, I agree with both comments. We do have a basically sound economy. I do think, though, that we've got some serious problems.

International economic competition is an important part of that. I'm struck by the fact that the developing countries have trouble adjusting also to the energy problem.

We have become interdependent. One concern we have is that to pay their fuel bills they have to engage in economic development that frequently aggravates rather than helps our problems, because they engage in (what) they can get funded — a steel mill or a shoe factory. They are unable to get funding for food production, developing nonpetroleum energy supplies. That would be in our interest.

It is understandable that the countries of the world will close the productivity gap. We still have the highest level of productivity. The question is: Will they continue, and surpass us in average levels, or will we improve our own productivity? For example, the Japanese pay a lot more attention to the production process itself.

Ray Marshall

'Stimulating the economy is not necessarily inflationary — Our stimulus was selective'

There have been errors in public policy. One of the most significant was not to take the energy crisis more seriously.

In some sense, the comparison (with) other countries is that we are going through getting to where they are. The Germans, the Japanese, are more efficient in the use of energy because their prices have been high and they've had shortages for a long time. We have had a relative surplus; it's been almost a free good. Eisenhower Administration policy was to restrict imports to keep the price up. The first OPEC was the Texas Railroad Commission. Its job was to keep output down.

Q. Would you summarize the errors of public policy of the Carter Administration? Then we'll ask Mr. Stein to list the errors of the Nixon Administration.

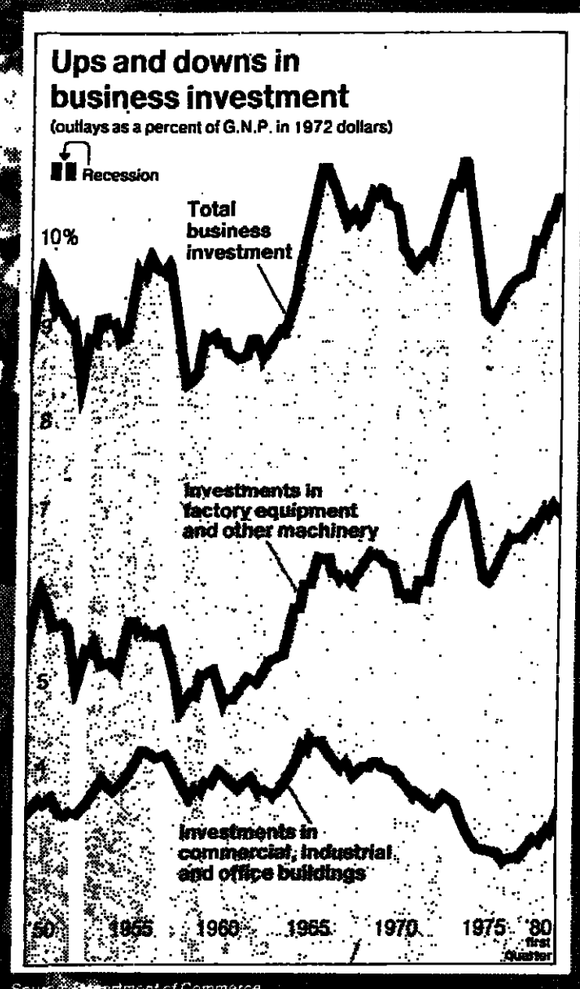
Mr. Marshall. Well, it's going to be a short list.

Mr. Stein. Why don't we do it the other way?

Mr. Marshall. I don't think of any errors that we've made in economic policy. Our main error, if I had to say what it is, is not (doing) a very good job of articulating (it).

Q. You don't think you underestimated the strength of the economy in 1977-78 and stimulated it too much?

A laid-off auto worker files for unemployment benefits in Detroit.



Source: Department of Commerce

The Nation Continued

United Press International

Mr. Marshall. I certainly do not. We got unemployment down to 5.9 percent before the next shock started. . . .

Q. Among economists, that is a minority opinion.

Mr. Marshall. Well, I don't know that. My view about economists, being trained in the mysteries of that craft, is that when it comes to forecasting there are those who don't know and there are those who don't know they don't know. And when it comes to looking back there are always those who always knew they knew. Their vision backward is a lot sounder than their vision forward. . . .

Mr. Stein. Mr. Marshall has pretty much ruled out any kind of economic discourse. We can't look forward, and we can't look back.

But there have been certain mistakes which have been common to all the Administrations in the last 20 years. The most significant has been the tendency to pump the economy up too quickly when we've gone into a recession — to be too frightened of unemployment. That was our mistake in '71-72; that was the Carter Administration's in '77-78; 1980 is kind of a shifting year. I admire them for their restraint so far. I have my fingers crossed.

The thing that is greatly lacking is any confidence in the country in the persistence of restraint. The lesson of history is that the private sector does not have much basis for confidence. I was going to say — just shorthand — our mistake was in paying too much attention to the editorials in The New York Times. But we should not have gone into price controls; I don't think this Administration should have gone into its so-called voluntary guidelines.

Both are snares and delusions. We should have moved more to release the controls on the price of petroleum products. The Carter Administration should have moved earlier and more decisively — although I'm glad that they finally are coming around. That's a belated conversion.

All Administrations have taken too much for granted. Productivity growth we always thought did not require any great nourishing. A mistake that is visible is that we've allowed the taxation of business profits to be enormously distorted. It's visible in the emphasis that we place on such matters as environmental health and safety. Certainly there are gains; we haven't very well calculated the costs.

Mr. Lekachman. Unemployment is a dreadful social cost. I can't look lightly at a year like this. The way I prefer to look at (the issue) is: How you can minimize the unemployment cost of the recession without restarting inflation.

Restarting — it never stopped. I hesitate to say a good word for the Nixon Administration. But wage and price controls are a necessary part of a sensible policy of moderating the downward movement of the business cycle. Jimmy Carter as candidate was perfectly correct when he advocated standby Presidential authority to impose controls. Jimmy Carter as President listened to too many economists.

This Administration is, I think, in the course of committing a blunder more damaging than anything which the Nixon Administration did. It's allowing a recession to go deeper, possibly remaining in place longer, at larger output costs than if this additional weapon were available.

Q. Even at 9 to 10 percent inflation?

Mr. Lekachman. If you're going to persuade union negotiators — we're talking about strong unions; weak unions have no choice — to accept less than the basic rate of inflation, it's more plausible within the context of some reasonable policies designed to diminish that inflation.

Mr. Marshall. I naturally disagree. First of all, I do not believe that stimulating the economy is necessarily inflationary. If you make a public investment in the education and training — It's hard to think of something more inflationary than to have people who could be working drawing unemployment compensation or trade adjustment assistance. Our stimulus was selective.

You have to be concerned about both the immediate and the long run. Doing what we have to do to gain control of the energy problem, for example, will have some inflationary effect. But you hope you help solve a basic problem. I think the same thing about unemployment. Take the automobile industry, the main source of the increase in unemployment in the past year. We're doing it in the way I think we ought to do it. We're working with labor and management to help them solve their problems.

Q. What about Mr. Lekachman's prescription — that if you have controls, you could undertake stimulative policies.

Mr. Marshall. I agree with him on the first part — unemployment is extremely expensive. One percentage increase in unemployment costs the Federal deficit, according to the Congressional Budget Office, between $25 and $29 billion — and that's ignoring all the human problems.

I disagree that controls would help you with the kind of inflation that we have now. I don't see any evidence that controls will work for very long. There's very little that controls can do to increase the supply of energy, or of food.

Now there is some truth to the idea that because of imperfections in the market, some people have the ability to increase their prices even if they don't have shortages. What our policy has been is to gain control of the underlying problems, such as energy, and while you're gaining control, to put in place a cooperative system to prevent the inflation induced by external shocks from being imbedded in the underlying rate of inflation.

Q. We have unemployment of 7 ¾ percent and trending higher. Do you think a tax cut would be useful?

Mr. Marshall. The thing we ought to do about unemployment is to intensify what we're doing — take a look at where it is and deal with it. One of the advantages of having $556 billion (in programs the Administration has put in the pipeline between 1977 and 1983) out there is that we can speed up some of it and bring down unemployment in construction.

Now I probably will never agree that a general tax cut is desirable. After we have time to look at the problems of the economy, we need a development policy that will deal with investment. If we need a tax cut, then it ought to be designed to overcome problems in the present system, rather than simply to put more money in the hands of consumers.

Structuring a Tax Cut

Q. What would such a tax cut look like?

Mr. Marshall. Well, nobody knows. My structuring of it is first to calculate the largest spending program you (can) manage sensibly, then establish some principles, such as tax cuts that would do the most to relieve inflationary pressures — which means those payroll taxes and direct taxes that enter into prices; taxes that will stimulate investment and job-creation in particular places. . . .

Q. Business depreciation taxes, tax write-offs?

Mr. Marshall. Well, the problem is you cannot be sure that a business depreciation tax will cause job creation. It might cause you to lose jobs. It might make it possible for firms to liquidate rather than to invest.

Mr. Stein. That's how we get productivity up — by liquidation of old, inefficient firms. The process of economic growth is the process of creative destruction. If you don't have the destruction, you won't have the creativity.

Mr. Marshall. Suppose they liquidate here and invest in Taiwan? If we're going to give tax relief to stimulate output and employment in the United States, we ought to see to it that the system developed actually accomplishes that.

There is room for tax relief, but I would be opposed to an across-the-board tax cut. (That) translates to a lot more money for somebody making $100,000 than somebody who makes $17,500. Second, to benefit from a tax cut you've got to have income. What are you going to do about people who are unemployed and do not have income?

Mr. Stein. This is the conventional wisdom of the past 20 years, it is the conventional practice. It's not as if all these programs had visibly solved any problems. The black unemployment rate 20 years ago was 2.1 times the white rate; it is now 2.0 times the white rate. That's not progress, that's a statistical discrepancy.

(It's) not only OPEC that's gone wrong in the world in the last 20 years. We were having a serious inflation problem before. When we came in in 1969, we constantly underestimated the strength of the measures that would be needed to restrain it. Well, that was an error. We might as well admit that was an error, which we are in danger of repeating again if we just go on saying the same old things.

Mr. Lekachman. I want to revert almost to the beginning of this conversation. Mr. Marshall imputed to both Mr. Stein, I think accurately as I have heard Mr. Stein, and to me, inaccurately as I meant to communicate a meaning, that the economy was in sound shape.

There is a new crisis for Americans, and you could put it very simply: When growth slows, problems of distribution become acute. Our political process is well suited to dividing up the gains of each year's productivity among claimant groups. It's dreadful at handling what Lester Thurow calls zero sum gain. Actually, I think, he's talking about smaller positive sum gains than we're accustomed to.

The New York Times/Teresa Zabala

Robert Lekachman

'A new crisis — When growth slows, problems of distribution become acute'

The reindustrialization of America (is) a popular nostrum these days; the device advocated, a social compact. Well, social compacts tend to resemble the interests of those who write them. It highlights for me what is going to be an issue that is going to occupy a good deal of our national attention in this decade: how you handle an economy which is very likely to grow more slowly than (it did) historically.

Q. Do you agree that the country needs higher level ratios of investment? If so, how do we get there?

Mr. Lekachman. Programs for general liberalization of depreciation make me uneasy. They're too broad. It seems to me that if you want to get certain social and economic effects, you have to tailor your instruments.

A general tax cut is a very bad idea — both from the standpoint of the lightweight shape and the inequity of the monster that will come out of Congress. Again, I agree with Mr. Marshall. I'd certainly start with expenditure policies — increase rather than decrease countercyclical aid to cities, CETA money, mass transportation grants.

My pitiful city of New York has as one of its assets a good public transportation system. I say this as one who rides the subway daily. But it's falling into a heap of ruins. The graffiti are an esthetic decoration, but where the equipment is going now is. . .

Mr. Stein. You can get a grant from the National Endowment for the Arts.

Mr. Lekachman. Would you tell me to whom I can direct the inquiry?

You read a random issue of the newspapers, and you discover that garbage taxes out on Long Island are going to treble or quadruple, or quintuple — they're running out of landfill, they need to cap some existing garbage sinks.

You can think of public expenditures which are in all our interest, as individuals who don't only want a beautiful country but would like a safe wholesome country.

National Planning: Pro and Con

Q. Mr. Stein, are you for a safe and wholesome country?

Mr. Stein. Especially safe. Wholesomeness is in the eye of the beholder.

I would like to go back to the notion that what we need are selective and tailored programs. The question that always raises is: who's your tailor? I've lived in this city for 42 years. It does not give me any great confidence in the ability of Washington to direct the flow of investment funds.

I am not for a tax cut at this time. I think we do need a tax cut, in the context of a substantial increase in defense. Any substantial reduction of the tax burden on investments is going to have to be accompanied by very severe restraints on nondefense spending and/or some other kind of tax. I am, for one, a supporter of a high gasoline tax.

Q. How high?

Mr. Stein. Fifty cents a gallon.

It is very interesting. We've just imposed an increase of 8 percent in the gasoline tax in the District of Columbia. There was a certain amount of fuss about it. But we did it and we will all live with it. The political demagoguery against increasing the gasoline tax is really unpardonable. . .

Q. If you couple that with a proinvestment strategy, where would the investment go?

Mr. Stein. I don't know. The people who have the money will decide where it should go, on the basis of where they think they will make the most money. That in general will be the place where it's best invested.

Mr. Lekachman. I would do it within the context of national planning. I have much less faith in the way markets operate. You can offer some enormous blunders made by investors.

Q. But the taxpayers don't pay for those.

Mr. Lekachman. They (do), one way or another, in lost jobs, in higher average prices. I don't think that the blunders of the private sector are free. The costs aren't as readily perceived as the blunders of Government. But they. . .

Herbert Stein

'The people who have the money will decide where it should go'

Mr. Stein. But the proportion of distribution of the cost is much more heavily on those who made the blunders, which creates a very strong incentive not to make blunders.

Mr. Lekachman. That's disputable. Among the victims of the blunders are employees who didn't make the policy, communities in which enterprises go broke.

Mr. Stein. The proportion is more heavily on those who invested. I don't deny there are some costs to other people.

Q. What did you mean by national planning?

Mr. Lekachman. A set of arrangements in which Congress and the President, consulting in the normal political way, listening to the interests involved, came to certain conclusions about which industries are to be encouraged, which industries ought to be allowed to go along as they are, which industries should be discouraged, and then shape the numerous instruments available to a modern government — credit policies, loan guarantees, tax benefits.

I think we're probably drifting in this direction. It does not make me very happy. It's much more likely that alert businessmen are going to be running it rather than people with whom I'm in more general sympathy. I can imagine Felix Rohatyn showing up as the chairman of some kind of a national planning agency. And I would rather have. . . .

Mr. Stein. Bella Abzug.

Mr. Lekachman. . . I'd rather have Barry Commoner, or if not, then Michael Harrington.

Q. Mr. Marshall, what do you think about Goverment picking and choosing among industries that get its help?

Mr. Marshall. Government cannot pick all the winners and losers, nor can (it all) be left to the free market. The Nixon Administration looked at the oil import market, in 1971. They decided the free market would work.

I disagree that our problems come from hyperinflating the economy. One can't help but be struck by the abrupt shift everyplace (in the world) in 1973. That came about because economists suggested supporting energy industry was impossible. Everybody knew cartels did not exist. Mr. Stein is not willing to let the market allocate consumption; he would like a 50-cent gasoline tax.

Q. Mr. Stein, you are permitted hindsight.

Mr. Stein. What is involved is a leaning, whether you have a predisposition for making such selective interventions or against. I am urging a predisposition against.

My interest in the gasoline tax is really connected with my concern about (national) security. I would recognize that we cannot rely on the markets to take care of (that). With respect to energy in general, the greatest mistake was not in allowing the free market to work, but in not allowing it to work.

There is a natural tendency when the Government accepts control of things to try to preserve positions which are untenable. We all have an idea what the normal relations between a President and the Congress are. I can't imagine that out of such a process anybody could expect to get better decisions than they would out of the market.

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Four Questions for Detroit

It took audacity or wit for those California biochemists to choose last week to announce their findings that the modern-day elephant is linked conclusively to the woolly mammoth of thousands of years ago. At the same time, people elsewhere were likening modern-day Republicans to dinosaurs for rolling back the clock on women's rights as they prepared for this week's nominating convention in Detroit.

In fact, it will be more a ratifying convention — elephants on parade. The party is warmly united behind Ronald Reagan and, except for Equal Rights and abortion, behind its platform. Still, being unified does not mean being sound, or consistent. The Detroit convention will bring together party and platform, man and message for the first time. Now the public can begin to evaluate how much is easy sloganeering and how much a responsible guide to the performance of a President Reagan. We'll be looking for answers to four questions especially.

☐*How firmly do Mr. Reagan and the Republicans really mean to set their jaws, and policies, against the Soviet Union?*

The Republican platform writers have gone out of their way to sound tough, calling for restoration of American "military superiority." That sounds like bluster, if not worse. Do the Republican draftsmen really think that, if America suddenly started spending billions on big new weapons, the Soviets would do nothing? They know how to build big new weapons, too, and are demonstrably willing to make painful sacrifices to pay for them. What, then, is the point of running vastly expensive new laps in the arms race?

Meanwhile, there are some bewildering contradictions in the tough stance Mr. Reagan displays toward the Soviets. Last month, he told Time magazine interviewers that when the Russians invaded Afghanistan, "Maybe that was the time for us to have said, 'Look, don't talk to us about trade. There will be none.' " But how is that consistent with his opposition — and that of the platform writers — to the Carter embargo on selling grain to the Russians?

☐*How do the Republicans propose to cut taxes sharply, spend much more on defense, stimulate economic growth and balance the Federal budget, all at the same time?*

"With mirrors," is the way John Anderson answered a similar question early in the campaign. The mirrors sparkle in the Republican platform. Is there, behind them, a reasonable basis for thinking Mr. Reagan can do a better job of managing an economy in which the underlying inflation rate keeps charging upward by 10 percent a year?

☐*What energy program do the Republicans propose that seems reasonably likely to loosen the oil-import noose on America, Europe and Japan?*

The proposed Republican platform seems more interested in mocking the idea of a serious energy program than in proposing one. The drafters snipe at conservation and even inveigh against the 55-mile-an-hour speed limit. Their only answer to the noose is: Unshackle the energy industry from all price and allocation controls. Is such confidence in the industry realistic? The United States is importing about 6.5 million barrels of oil a day; we recently asked an oil company executive how much of that could be avoided if industry were "unshackled." Oh, maybe 1.5 million barrels, he said. The question to keep in mind this week is, What about the other 5 million barrels?

☐*Finally, why do the Republicans seem so reluctant to organize themselves in a way that attracts, rather than discourages, converts?*

The G.O.P. rules committee meets today to consider proposals for opening up the 1984 convention and the national committee. The party structure remains constricted: the nine largest states have 52 percent of the population — but only 17 percent of the Republican delegates. Things remain weighted heavily in favor of smaller, traditionally Republican states. Yet old hands fiercely resist change. That's what puzzling. One would think that an optimistic, unified party would be out scrapping in bigger, potentially winnable states, out looking for ways to keep the elephants on parade, all the way to the White House.

'John Paul Is Our Voice'

Those who pegged Pope John Paul II as a conservative on all social matters will have to reconsider. During his remarkable pilgrimage to Brazil, the Pontiff went out of his way to comfort the afflicted at the risk of afflicting the comfortable. His message had an unmistakably political ring, and it was assuredly heard throughout Latin America. Its essence was caught in the chant of the slum-dwellers in Brazil's impoverished northeast: "John Paul is our voice."

The priest who was born Karol Wojtyla near Cracow may well have felt especially at home. In Brazil as in Poland, the Catholic Church is the most formidable critic of an authoritarian state. In both countries, an aroused church has incurred official wrath by defending fundamental human rights; 30 Brazilian bishops have endured jail, kidnapping or torture at the hands of police or vigilantes. What is done in Poland in the name of Marx — exalting material gains at the expense of fundamental rights — has its parallel in Brazil in the name of private enterprise.

When John Paul II spoke of the inequitable division of land and wealth, he drew forceful attention to the underside of the Brazilian "miracle." In an impressive spurt from 1969 to 1974, Brazil's per capita output increased by a third, to $1,500. But the income gap among Brazilians still widened. In 1960, the affluent 5 percent accounted for 35 percent of the wealth and the lower 50 percent owned 14 percent; by 1976, the division of wealth between these groups was 39 percent and 12 percent. During the boom, it is true, gains were made by 40 million urban workers; but 70 million others, mostly in the neglected northeast, subsisted on crumbs.

Now the boom years are a memory, a casualty of the surge in oil prices. The annual inflation rate has climbed to 88 percent, close to the level of 1964, when the military seized power to save Brazil from ruin. Brazil's foreign debt is the world's highest, at least $55 billion, and so is the cost of servicing it — $13 billion this year. With the country deeply in hock, the Government is asking already restive workers to accept a sustained reduction in real wages. But in their eyes, no comparable sacrifice is being exacted from the wealthy.

There is no painless way to achieve an industrial revolution, but when inequalities are seen as intolerable, the result may very well be a Marxist revolution. Such was John Paul II's message, which signified his support for a Brazilian church deeply committed to social reform.

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Regrettably, the Pope was silent about a principal contributor to the poverty he saw and deplored. Brazil's population grows by nearly 3 percent a year, and its birth rate is highest where people are poorest. For reasons of doctrine, the Latin American church has been reluctant to address the link between excessive fertility and human misery. Yet church doctrine does not condemn all forms of birth control. A Pope who has the ear of the poor is uniquely fitted to discuss compassionately the privation that the poor visit on themselves. The world would profit if John Paul II could find the words that harmonize old doctrines with new and desperate needs.

Topics

Expertise

Just Spoofing

We have learned a useful lesson from three students at Dalton, the private school on the Upper East Side. Using a teaching computer, they were able to penetrate the electronic data systems of corporations across the border in Canada. The Dalton boys, as we may call them, said they meant no harm, that it was all a schoolboy prank, a bit of over-achieving in a computer science program. No charges have been brought.

In fact, what the students were doing is known in computer lingo as "spoofing," which a book on computer crime defines thusly: "Spoofing occurs when one legitimate user or the computer itself is contacted by an unauthorized user posing as an authorized user. The object may be to steal information, interfere with legitimate communications, or introduce erroneous information into the system."

Because communications networks rely on highly standardized equipment, with characteristics readily obtainable from the telephone company, it is easier to spoof computer systems than it is to tap voice communications. At any given time, a whole ocean of information is accessible to anyone with (1) a computer terminal, (2) a telephone and (3) the wit to acquire or confect the passwords.

Only gradually are Americans becoming aware of the mischievous genies in the electronic lamp. Only gradually are computer users becoming aware of the appalling security problems their gadgets pose. The lesson here is not only for schoolboys.

■

How To

We were under the impression that corporate managers spent their time controlling costs, keeping the assembly line moving, rearranging depreciation schedules — that sort of thing. But according to a flyer from the Research Institute of America, life in the executive suite can be a veritable cauldron of human drama.

For only $3 a month, the institute is ready to advise the troubled executive by mail on such lively issues as "Tell-tale signs of a dope addict — can you find out before hiring?"; "What do you do when someone insults you in view of others?" and "When do you have a talk — when do you rap?" There's wisdom here, too, for use on the home front: "Approaches to use with youngsters who downgrade the 'establishment' they claim you belong to . . . ."

Finally, for anyone unsatisfied with what the mailman brings, there's even help in asking for your money back. The first packet includes advice on "saying negatives in a positive way."

Open Season

People inside government and out love to knock the private experts known as consultants. A consultant, a New York police commissioner once said acidly, is someone who borrows your watch — and then tells you what time it is. Now President Carter has issued a stern directive to the Cabinet to crack down on the use of consultants.

There are undoubted abuses. Yet consultants provide agencies with essential flexibility — as an instant source of knowledge, as a way around an unbending civil service rule, as an answer to a temporary crisis. Paying an outside authority $250 a day for a few weeks can be an intelligent and economical way to tackle a multi-million dollar problem.

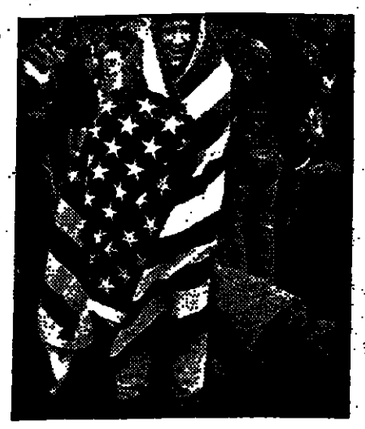
The President, after nearly four years in Washington, knows all that perfectly well. So why does he choose this season to join the consultant knockers? Probably because it is this season. It's the summer before an election, the time when, as if by clockwork, challengers complain about the incumbent's "non-political" trips and when the incumbent lionizes his frugality. What's next? We expect that any day now, having declaimed on consultants, the Administration will announce how bravely it has cut the White House staff.

Letters

Draft Registration's Message

To the Editor:

Recent discussion of student views on draft registration may mislead the public into believing that young Americans have little concern for U.S. foreign policy interests and are unwilling



to make sacrifices to defend democracy and our economic well-being.

A small but vocal cadre of student leaders has voiced opposition to Selective Service registration. In contrast, my discussions with young men across the country indicate that they are well aware of the threat posed by the Soviet invasion of Afghanistan and of the danger to the U.S., Europe, Japan, Israel and other democracies if the Persian Gulf falls under Soviet control. Most agree that the best way to head off Soviet adventurism is to send a clear message that the American people are willing to protect their own and their allies' interests.

To say that our young people are unwilling to make the minimal sacrifice of registering for a draft conveys a false image of U.S. weakness.

President Carter's proclamation did not call for resumption of the draft but for mere registration — without medical examination, classification or issuance of a draft card — to insure a computer data base ready for instant use in the unlikely event of war. Registration after a crisis has erupted would greatly impede attempts to mobilize.

I urge my fellow students not to succumb to the emotional appeals of registration opponents but to analyze the strategic importance of the Persian Gulf, to read about what life is like behind the Iron Curtain, to examine the significance of Soviet aggression and to remember the sacrifices of our Olympic athletes, farmers and businessmen.

If students realize how fortunate they are to live in one of the greatest nations on earth, they will have no qualms with Selective Service registration.

BERNARD J. FRIEDMAN
National President
College Democrats of America
Democratic National Committee
Washington, July 3, 1980

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Now Is the Time to Protest

To the Editor:

There is but one statement in your July 2 editorial "The Young Should Register — Twice" with which I concur: Young people of draft age should register to vote. And in November we shall vote out of office the rascals who voted for draft registration.

But those of draft age must not wait until November to protest against this first step toward an inevitable nuclear war. They must not heed your advice and blindly register for the draft. The plan's age and sex discrimination, coupled with its implicit war mentality, must be questioned.

If tens of thousands of 19- and 20-year-olds fail to register, or register as conscientious objectors, or use other emphatic but peaceful means of protest, and if at the same time hundreds of thousands of our "brothers and sisters" join us on the picket lines outside the post offices the weeks of July 21 and 28, we will be sending the loud and clear message to Washington that we, the leaders of the future, will not succumb to misguided and overtly political directives. We need not emulate Soviet military paranoia with our own brand of macho madness. America's strength lies in meeting human needs, not in destroying human beings.

How sad it is that we of the under-25 set can be compelled to register for a military draft by a body in which we are not allowed to serve. Perhaps the battle cry of 1980 ought to be "No Registration Without Representation."

MICHAEL S. KORNFELD
Huntington, L.I., July 2, 1980

A Key Element Of Preparedness

To the Editor:

Your July 2 editorial about draft registration showed some misunderstandings about the forthcoming program. Contrary to your assertion, draft registration will add substantially to our military preparedness.

There is no question that registration will substantially reduce the time it takes to mobilize and that it provides the certainty which can only be obtained with an ongoing system. The difficult days of a mobilization should not be burdened with mass registration.

Registration, which will start on July 21, together with a program to keep addresses current, will insure that we have the capability to respond.

You also claim that the decision to register those born in 1960 and 1961 was an election-year scheme. Since I made that recommendation to the President, I can assure you that is not the case.

We decided to register only a sufficiently large pool to meet the immediate needs of the Department of Defense in a military emergency, and, consistent with the law, we chose to register those who would go first.

A larger registration would truly have been a meaningless demonstration. It would have burdened our citizens with a useless program at a waste of tax dollars.

BERNARD ROSTKER
Director, Selective Service System
Washington, July 8, 1980

The Cycle of Death

To the Editor:

Thirty-six years ago I stood in front of the crematorium. The ugliest force in the world had promised itself that I should be removed from the cycle of life — that I should never know the pleasure of giving life. With great guns and great hatred, this force thought itself the equal of the force of life.

I survived the great guns, and with every smile of my son they grow smaller. It is not for me, Sir, to offer my son's blood as lubricant for the next generation of guns. I remove myself and my own from the cycle of death.

ISABELLA LEITNER
Bronx, July 3, 1980

'Affirmative-Action Recipient, You Have Nothing to Be Ashamed of'

To the Editor:

I have little patience with the pseudo-liberal who would have us bemoan the dilemma of the black beneficiaries of affirmative action [Op-Ed July 6].

If tears are to be shed, let us all weep for the wasted talents of their black forbears, who found that America, prior to the late 1940's, paid little heed to the Phi Beta Kappa key, or the Ph.D. in physics, if the recipient happened to be black. This attitude was typical of our society. The pervasive "negative action" thus engendered had broader acceptance than any legislation could hope to achieve.

Affirmative action may not be the best possible means of undoing past inequities, but it remains the most effective means available.

To my fellow blacks I say, reach for the prize if it is offered. We know that there will be periods of self-doubt and that quite often there will be failure. Of course there will be those who hope for your downfall and who belittle your success, but there are men of good will, in all races, who will be giving you their support.

Nobody told you the road would be easy. Work, study, persevere. Affirmative-action recipient, you have nothing to be ashamed of. Are not patronage, nepotism and cronyism forms of affirmative action — for those fortunate enough to qualify?

We know that of those chosen not all will succeed. Some will falter, others will forg their racial heritage in an effort to become more fully accepted in the everyday world of their chosen endeavor. All the pitfalls and challenges are worth the risk, for this issue is basic.

You are not required to lead your class, but some of you might. You are not required to rise to the top of your profession, but some of you will. You *are* required to give your best, for yourself, for your family, for our nation and, last but not least, in order to show those who selfishly oppose your progress that their motives are recognized and their theories disproved.

ELLIS J. BAGLEY
North Haven, Conn., July 8, 1980

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To the Editor:

How reassuring it is to have Midge Decter worrying about my "self-doubt," "self-respect" and "self-regard" [Op-Ed July 6].

As a novelist, it makes me feel good all over to know that, while I continue to publish "works praised out of all proportion to their merits," Mother Midge is there, awash in anxiety over whether my "unearned advantages" will corrupt my spirit.

Shouldn't someone be thinking about striking a medal to give to Decter for her awe-inspiring analysis of what's bothering us women and blacks who have been "hurled up the professional ladder" screaming and kicking?

ANNE BERNAYS
Cambridge, Mass., July 7, 1980

When an M.P. Attacks American Jews

To the Editor:

Andrew Faulds, M.P., says he need not explain "the part that Jewish votes and Jewish money play in the electoral campaign," but whatever that part is, it "inhibits your President from doing what is necessary in the Middle East" [letter July 6].

A pity that Mr. Faulds left us in ignorance as to the role of Jewish votes and money and, even more, as to what is "necessary" in the Midle East.

I do recall that while Great Britain was embattled in a struggle against the fascists in World War II for its very survival, it yet managed to spare sufficient money, men, material and ships to prevent concentration camp victims and potential victims from seeking safety in Palestine. And Great Britain, in a clearly illegal act, dismembered 80 percent of Palestine, gratuitously creating the Arab state of Transjordan.

Later, under the name of Jordan and dissatisfied with a mere 80 percent, that state attacked the neophyte state of Israel and conquered and held the West Bank for 19 years. Not a single Arab nation recognized this naked act of aggression. But two of the world's other nations did; Pakistan for one, and guess which was the other?

Yes, Mr. Faulds, "Europe's record [regarding Palestine] is not a good one." But "trying to do better?" How? By demanding the P.L.O. be "associated" with the peace process — an organizaton dedicated by its constitution to the destruction of Israel?

BERNARD BRODSKY
New York, July 7, 1980

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To the Editor:

I am shocked and dismayed that a member of the British Parliament would echo the philosophy that brought about the Holocaust.

ESTELLE N. SCHNEIDER
New York, July 6, 1980

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To the Editor:

The Faulds letter reads as if it had come out of the *Völkische Beobachter* of Hitler's day. That The Times sees fit to print such anti-Semitic vileness now is astounding.

HAROLD RICHTER
Flushing, N.Y., July 7, 1980

Help for Those Who Would Destroy Israel

To the Editor:

The criticism by some 50 American Jewish leaders of policies of "extremism" and "violence" in Israel (news story July 2) reflects a fundamental misapprehension of the reality of opposition to Israel. These leaders have fallen prey to a viewpoint that, regrettably, has become more and more blatant within Israel itself.

According to that view, anti-Israelism rises or falls as a function of Israeli and Jewish behavior. In point of truth, there is absolutely no evidence for this assumption, not excluding Egypt's decision to make peace with Israel. The history of the Middle East conflict demonstrates that anti-Israelism (together with various other forms of anti-Semitism) has nothing to do with specific Jewish acts. These hostile drives have their origin solely within the minds and hearts of the detractors of Jews.

When Israel appears "hawkish," it is rejected for its intransigence and imperialism. But when it appears "dovish" (as in its readiness to surrender the entire Sinai peninsula), it is rejected as guilty of dissimulation and ulterior motives, and for having tricked President Sadat into becoming an agent in the "Zionist conspiracy." In a word, anti-Semites "know" that whatever Jews do, they simply cannot be trusted.

It is, accordingly, arrant nonsense to argue, as the American Jewish leaders do, that Israeli policies have "isolated" Israel. On the contrary, the isolation of Israel has resulted from a carefully conceived program to that end within Soviet, Arab and United Nations circles. Long before there could have been Jewish settlements in the West Bank, the existence of Israel was totally rejected by the Arab world. Were Israel to withdraw tomorrow from all the "occupied" territories, it would remain the same "evil intruder" upon "sacred" Arab soil.

The American leaders have not only acted to undermine Israel's cause by strengthening the hand of its would-be destroyers; they are helping to subvert whatever possibility of Middle Eastern peace the future may hold. Their declaration has doubtless been received with much glee within circles as superficially diverse as the P.L.O., the American State Department, the American Friends Service Committee and the European Common Market.

(Prof.) ALICE L. ECKARDT
(Rev.) A. ROY ECKARDT
Bethlehem, Pa., July 3, 1980

The writers are on the faculty of the Department of Religious Studies at Lehigh University.

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

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Key Element ... Preparedness

... Cycle of Death

... to Be Ashamed

... Id Destroy Is...

Europe's Hollywood America

By James Reston

PARIS — For a long time, there has been a tendency in Western Europe to confuse America with Hollywood. So it comes as no surprise here — almost as a confirmation of European intellectual prejudice — that the Republican Party has gathered in Detroit to nominate Ronald Reagan of California.

He is widely regarded in Europe as an amiable elderly actor whose attractive and ambitious wife wants him to be President of the United States. Like Detroit, they think, he is backing into the future and longing for a world that is gone, and their only consolation seems to be that he might be a change and a relief from Jimmy Carter, whose mystifying switches on both domestic and foreign policy have troubled and baffled the allied capitals.

It would be hard to exaggerate the cynicism one hears in Western Europe these days about this tussle for the White House. It is conceded reluctantly here that the security of the Western world still depends on the leadership of the United States, but when they think of four more years of Carter or of a Reagan Presidency, they tend to believe in their own superiority and insist that peace is too important to be left to the unpredictable politics and personalities of the United States.

Accordingly, the allies are now developing their own independent policies toward the Soviet Union and the Middle East, not to defy Washington — for they have nothing to back up their prejudices — but to moderate Washington's policies about Afghanistan, Iran, Jerusalem, the Palestinians and the Olympics.

Officials and journalists in this part of the world simply don't know what to make of our Presidential election hijinks, and don't know what they could do about it, even if they did. They don't believe in Carter and his White House staff. They know very little about Reagan, and show very little interest in trying to learn more.

Our allies are trying to assess Ronald Reagan

The Western European press, following the United States press ... Presidential election, almost as savagely as ... have muckraked their politics in the days before the Second World War. Nobody ... these parts seems to have a good word to say about either Carter or Reagan. But they are interested in the men and women available to Reagan, if he is elected, and they wonder whether he will turn to the moderates of the Republican Party, or to the ideological conservatives who have assured his nomination.

For example, it is noticed by the leaders in Paris and Bonn that George Shultz, the former Secretary of Labor and former Secretary of the Treasury under Nixon, is now a principal adviser to Governor Reagan. He may be the most important conciliator and "sleeper" in the Reagan team of advisers on economic and foreign policy.

Shultz was a member of what came to be called "the library group," with Helmut Schmidt and Valéry Giscard d'Estaing, when he was Secretary of the Treasury and they were in charge of the finances of their countries — before Schmidt became Chancellor of West Germany and Giscard became President of France.

They developed in many private talks at that time a close and respectful relationship with one another, and even now, when Schmidt and Giscard talk privately about Reagan, they ask discreetly about George Shultz: What role will he play with Reagan?

And what about Kissinger, who has many critics here in Europe but still commands professional respect?

So there is no evidence of a pro-Carter or anti-Reagan feeling here in Europe, even in private conversations with officials. European journalists are more outspoken. They express an even-handed contempt for both Carter and Reagan, and are even rather hopeful about Reagan's reputation for indolence, and his willingness to concede that the governance of a vast country like the United States depends not on a man but on a team of competent officials.

The Europeans do not seem to be particularly worried about Reagan's ... They have had many older political leaders. They are not even worried about his theatrical background, since they believe that all politics is at least partly theater.

They do worry, however, about his warrior stance toward the Soviet Union; his insistence on ever-larger military budgets; his promise to reverse the policy of recognizing Peking as the sole authority over China and to restore the claims of Taiwan, and his all-out support of Israeli policies on the West Bank and Jerusalem. All these positions, if acted upon by a Reagan administration, would, the Europeans believe, bring back a new and more dangerous cold war, and split the alliance.

But they are waiting to see whom Reagan will choose for a Vice Presidential running mate and what kind of appointments he will make to his Cabinet. They are not so concerned about where he's going, because frankly they don't think he knows himself, but they are interested in knowing who's going with him, because this, they think, may make all the difference.

Newsman No. 5879281.6

By Stuart H. Loory

CHICAGO — The Secret Service is building a computerized corral for news gatherers and we're all marching in without a bleat. Some of us cannot wait to get branded.

The Secret Service this year established the "National Press System," which includes a "master press index" that lists 62,000 journalists, and all are coded by name, sex, race, date and place of birth, Social Security number, telephone number, employer, specific occupation and police records (if any).

That amounts to 62,000 dossiers on news-business employees stored in a central Government computer, and 20,000 of them have been updated this year as the Secret Service has issued its so-called national press pass to facilitate coverage of political candidates it protects. The national press pass, which comes laminated in plastic and with a brass grommet through which a neck chain can be passed, entitles reporters, photographers, broadcasters and technicians to stand or sit in special areas and ride on the press bus without further identification.

As the Secret Service says in promoting use of the document, it will "enhance your close access at events."

John W. Warner Jr., assistant to the Secret Service Director, H. Stuart Knight, told me that the national press system had its beginnings in the agency's overwhelming need to solve a time-consuming accreditation problem. Since the agency was given responsibility for protecting all political candidates in the turbulence of the 1968 election campaign, its job has grown ever more complex. News-media demands for access have multiplied and, as a result, both the Feds and the news organizations have been spending huge amounts of time arranging for accreditation.

Mr. Warner said: "We talked to people in the media, and the feedback was unanimous that the new system was great, that it would cut back on the countless hours spent in giving out passes. If someone doesn't want a national press pass, we still have the old system of giving out accreditation for each event so we're not violating anyone's First Amendment rights."

Individuals in the news business seeking accreditation are checked in the National Criminal Information Center's computers, the Computerized Criminal History and other Federal Bureau of Investigation files, as well as in local police files.

Mr. Warner said: "We are concerned with types of crimes we wouldn't want in a Presidential environment — assault, murder, dealing in explosive devices, firing a firearm. Say a person has a history of mental instability, we watch to see if his or her status is deteriorating."

Rarely is someone denied a credential, he said. (Apparently, murderers or those who have police records for assault or terrorism are smart enough not to apply for press cards.) He said that the mentally unstable would be awarded a credential when their condition cleared up. If a credential is denied, the individual is told why, he said.

Virtually all journalists getting ready to cover the opening of the Republican National Convention in Detroit tomorrow will have the national press pass around their necks in the mistaken belief that it is necessary to cover the convention. But, Mr. Warner says, the pass is only necessary in the hotels or other places outside the convention hall where individuals protected by the Secret Service have their headquarters.

At present, the Secret Service protects only three Republicans — Ronald Reagan, Gerald R. Ford and Richard M. Nixon. Mr. Nixon is not expected in Detroit at all; Mr. Reagan and Mr. Ford will both be staying at the same hotel. Only a handful of those who have volunteered their dossiers for the computer corral will actually need the credentials.

All may be peaceful inside the computerized fences at present. All the Secret Service agents I know are fine and honorable people deeply imbued with the democratic tradition. But the next campaign will be in 1984. Who knows just how the system will be working then — and beyond?

"The implications are such that it would probably be healthy for the press to take a look at this thing," said Charles W. Bailey, editor of The Minneapolis Tribune and chairman of the Freedom of Information Committee of the American Society of Newspaper Editors.

Mr. Bailey already has his national press card. So do I. But we should all be looking at the implications of the new arrangement. If this National Press System gets out of hand, we are talking about nothing less than the potential licensing of news gatherers on a national level. That should give not only reporters, photographers and editors but also all Americans the willies.

Stuart H. Loory is a managing editor of The Chicago Sun-Times.

David Suter

A 'Black Misery Index'

By Aris T. Allen

ANNAPOLIS, Md. — Jimmy Carter won the Presidency in 1976 with an overwhelming mandate from the black community. Among the reasons that we blacks gave Mr. Carter more than 90 percent of our vote were certain promises made to us. As Mr. Carter seeks re-election, it is time for blacks to examine his record and to hold him accountable by his own standards.

In 1976, he made two statements that were very important to the black community. First, he promised that "jobs [would] be the major thrust of my Administration." Second, he said he would "strive to achieve a 4 percent inflation rate by the end of my first term." He tied both promises together by adopting what the late Arthur Okun, an economist, called the "discomfort index," which is simply the addition of the unemployment and inflation rates. Mr. Okun did this to establish a measure of what, at the time, seemed to be the paradoxical situation of simultaneous high unemployment and high inflation. Mr. Carter politicized the discomfort index by renaming it the "misery" index, aimed the renamed index right at Gerald R. Ford, and said that if elected he would do better.

Mr. Carter even told us how much better he would do. At the end of his first four years in office, the misery index should be 8. This would be the combination of the 4 percent inflation rate he promised and the 4 percent unemployment target he pledged, as was mandated in the Humphrey-Hawkins full-employment bill, which he endorsed. In May 1980, however, three years and four months after his inauguration, the misery index for the population as a whole was 18.7, one and a half times the figure of the last year of the Ford Administration and more than twice as large as what Mr. Carter promised during his campaign.

Although these figures for the population as a whole are disturbing enough, they do not begin to reflect the economic conditions in the black community. Bad economic conditions throughout the society are always intensified for blacks. This fact, however, needs to be brought home in some dramatic way. Therefore, I am proposing the establishment of a "black misery index."

Since the Bureau of Labor Statistics develops figures for black unemployment, the misery index for blacks would simply reflect the sum of these unemployment statistics and the current rate of inflation. For example, the black unemployment rate for May was 14.7 percent. Add the May rate of inflation of 10.9 percent to it, and the black misery index is 25.6. This is a full two points higher than during the 1974-75 recession.

An examination of the individual components of the index shows why the conditions in the black community are truly miserable. The inflation side of the equation is especially hard on blacks. Many blacks work for the minimum wage, which does not adjust as quickly to the inflationary spiral as do other forms of income. The other side of black misery — unemployment — has remained high during the Carter Administration.

Now with the economy in recession, black unemployment can only go up. Blacks, the last hired in good times and the first fired in bad times, are already feeling the brunt of the economic downturn. From March to May, unemployment for all blacks jumped from 11.8 percent to 14.7 percent, up nearly 3 percent.

But there are alternative approaches to the Democrat make-work, patch-up quick-fix solutions that have kept the blacks in the economic straits in which we now find ourselves. During this election year, blacks should consider two Republican proposals to solve black economic problems.

The first Republican proposal, The Training and Employment Act of 1979, was introduced by Representative Clarence Brown, Republican of Ohio. This bill is based on the supposition that unemployed Americans should be trained for jobs that actually exist. The measure, if enacted into law, would grant tax credits to businesses to train persons for jobs while they are actually working in those jobs. Unlike the Comprehensive Employment and Training Act, Mr. Brown's measure would train people for jobs for which there is a current and future demand, allocating scarce resources to those areas where there is the most need for them.

The second proposal addresses the more-fundamental problem of job creation. The Conable-Jones bill introduced by Representatives Barber B. Conable of New York, the ranking Republican on the House Ways and Means Committee, and James R. Jones, Oklahoma Democrat, also a committee member, would grant tax incentives for businesses to buy new plant and equipment. Such modernization would create many new jobs.

These two proposals, when taken together, mean that new jobs would be created and people would be trained to fill these jobs. Blacks would benefit from such programs in a very substantial way. However, for these programs to be implemented, there must be a change in the country's direction.

Such a change can only be made at the ballot box. Black votes helped the Democrats in 1976, and things remained the same. Perhaps it is time that blacks give Republicans a chance to see if they can make a change — a change for the better.

Aris T. Allen, M.D., former Republican state chairman of Maryland, is a member of the Maryland Senate.

IN THE NATION

Thriving on Purity

By Tom Wicker

You're afraid of Ronald Reagan and you don't like Jimmy Carter but if you vote for John Anderson, you think you may elect Ronald Reagan after all. You're looking for an alternative.

If so, meet Ed Clark, the articulate young Presidential candidate of the Libertarian Party. Mr. Clark is an alternative if there ever was one — although he and his party are not right-wingers, as you may have heard, and they certainly aren't left-wingers.

They're Libertarians, and that takes some describing — as would any political party that favors the abolition of the Federal Reserve Board, Social Security and the C.I.A. and the F.B.I., not to mention the Department of Energy and "racist" minimum-wage laws that prevent the hiring of unskilled young blacks.

But Mr. Clark and his colleagues aren't eccentrics. They are serious political thinkers who "challenge the cult of the omnipotent state and defend the rights of the individual" — a stance long and honorably grounded in American history but disastrously abandoned, Libertarians say, by both major parties.

The liberty of the individual is their dominant value and their distinction is that they rigorously follow this principle where it leads — to opposition, for example, to the draft, but to support of a woman's right to abortion; to free trade and a classically free market, including "eventual" repeal of the income tax, but also to abolition of drug, sex and gambling laws.

In foreign policy, Libertarians would return to "the principle of nonintervention." Mr. Clark says he would "bring American troops home and let our wealthy allies pay for their own defense" — thus, he thinks, enabling Detroit to compete again with the Japanese and the Germans. "Reduced international tensions" and "reduced U.S. intervention" also would permit vast reductions in military expenditures, Mr. Clark argues — a key move in his plan to offer "the biggest tax cut in American history."

He is scornful of Mr. Reagan's promise to cut taxes without cutting spending or losing revenues. Inflation, he insists, is caused by deficit spending and the expansion of the money supply to cover it. An expanding economy, he and his party hold, would do more for the poor and the minority groups than any government program.

This kind of appeal, Libertarians say, has made theirs the fastest-growing party in the nation. In 1972, they got their first Presidential candidate, John Hospers, on the ballot in Washington and Colorado; he polled 5,000 popular votes and that of one wildcat Virginia elector named Roger McBride. In 1976, Mr. McBride was the Libertarian nominee, with his name on the ballot in 32 states — more than the better-known independent, Eugene McCarthy, could claim. But Mr. McBride polled only 174,000 votes.

In 1978, over 200 Libertarians ran for office in 32 states, drawing a total of 1.3 million votes; one was elected to the Alaska State Legislature. Ed Clark — running for Governor of California against Jerry Brown and Evelle Younger — got 377,960 votes, 5.5 percent of the total, and more than twice Roger McBride's *national* total in 1976.

Last year, 2,000 Libertarians from every state but Wyoming and North Dakota gathered in Los Angeles, nominated Mr. Clark, 49, a Dartmouth and Harvard Law graduate, for President. David Koch, 39, an M.I.T.-trained engineer and businessman from New York City, is his running mate. They confidently expect to be on the ballot in 50 states and the District of Columbia — more, probably, than John Anderson.

A series of 60 five-minute commercials for the Clark-Koch ticket began this week on the national networks; a $4-million campaign touching most states is planned. Libertarian candidates are running for the U.S. Senate in 16 states, and the party is sure of four gubernatorial candidates so far.

Mr. Clark thinks he'll get at least 10 percent of the vote in California — which, assuming a Reagan-Carter-Anderson campaign there, could significantly affect the outcome.

Mr. Clark even suggested at a Manhattan news conference this week that he might run ahead of Mr. Anderson nationally. More cautiously, he and other Libertarian leaders say they plan to keep increasing their share of the vote this year and in the 80's until by 1992 they will either be "the leading party" or co-equal with the present majors.

The territory does seem wide open. The numbers of independents and nonvoters have been increasing rapidly, and both are Libertarian targets; so are the majority of Americans aged 18 to 35 who have never even registered. So too are voters not among the declining number — from 37 percent in 1964 to 23 percent in 1978 — who still claim to identify strongly with the Republicans or the Democrats.

Libertarian principles sometimes seem quixotic — abolition, for example, of the Federal Deposit Insurance Corporation as part of a free banking system. How much appeal such political purity may have is a question; but on the evidence of their rate of growth so far, the Libertarians believe they've only begun to thrive.

When Officials Are Liable

By Peter Schuck

NEW HAVEN — By calling upon government to do more and more while trusting it less and less, we have made controlling bureaucratic power an exceedingly complex undertaking. Many of the day-to-day decisions of low-level public servants can be controlled by bureaucratic rules, and the validity of those rules can often be controlled by courts wielding injunctions. But much conduct cannot be governed by rules, and injunctions operate only prospectively: They can neither compensate for past injuries nor fully deter illegality.

Suits for money damages resulting from official misconduct entail neither of these disadvantages, but until quite recently such suits were severely limited by hoary judicial doctrine. Within the last two years, however, and especially within the last three months, the United States Supreme Court has utterly transformed the legal landscape of official liability.

- Federal officials may be *personally* liable for damages for conduct that violates certain provisions of the Constitution, such as the Fourth Amendment's prohibition of "unreasonable searches and seizures." Most recently, for example, the Court permitted a damage action against individual Federal prison officials for failing to provide adequate medical care to an inmate, allegedly in violation of his constitutional rights.
- Federal *agencies* may be liable for damages for conduct that is illegal if the conduct is not "discretionary" and if several other exceptions do not apply.
- Under the 11th Amendment, state agencies are not liable for damages for violation of the Constitution or other Federal laws, but may be sued to prevent *future* violations.
- State *officials* may be personally liable for damages for conduct that is illegal under any Federal law.
- Local agencies may be liable, and local officials may be personally liable, for damages for violations of any Federal law.

These developments are likely to have mixed results. By allowing victims of governmental error and wrongdoing to obtain damages from errant agencies and officials, the Supreme Court has increased the availability of compensation for wrongs caused by officials whom the modern state places in a position to do great harm as well as great good. Moreover, the prospect of liability may well deter some official negligence and willful misconduct.

Much governmental illegality, however, is probably due less to willful flouting of rules by officials than to the necessity for low-level operatives, who are neither Platonic guardians nor Solomonic magistrates, to make snap judgments under great stress with scant information and in situations in which legal rules are often unclear and rapidly changing.

The teacher disciplining an unruly student, the prison guard attempting to maintain order, the policeman making an arrest of a potentially violent person, the drug-enforcement agent using informers to penetrate illegal operations, the administrator of a mental hospital deciding whether to release a patient — such officials should not have to make such decisions under the threat of financial ruin simply because they failed to predict what the applicable legal rule will turn out to be.

Nor does the probability that they will receive immunity or ultimately be vindicated after trial or be indemnified by their agency seem adequate to ensure that officials will exercise their discretion fearlessly and vigorously. For even a small probability of a personal catastrophe may well distort their behavior in ways designed more to protect their flanks than to discharge their public duties.

Fortunately, we need not choose between denying victims compensation for officially caused harm and fostering an already excessive bureaucratic self-interest. Victims could be made whole by the government *agencies* whose official policies or employees injured them, free of the legal obstacles to recovery that still exist. Officials who violate the law could be subjected to more-effective administrative discipline that is sensitive to the delicate balance that must be struck between deterrence of illegality and deterrence of vigorous decision-making. These reforms (and others) could provide agencies with greater incentives than now exist to monitor the behavior of their employees. Such changes would certainly not eliminate the ancient tensions between rule and discretion, between accountability and flexibility. But they would reduce them.

The Supreme Court has taken the first steps. It is now up to Congress, which has vacillated on the issue, to complete the job.

Peter Schuck, Deputy Assistant Secretary for Planning and Evaluation in the Department of Health, Education and Welfare from 1977 to 1978, is associate professor at Yale Law School.

Arts & Leisure

The Perils Of Celebrity

By DONAL HENAHAN

The news of José Iturbi's death the other day must have sent the nostalgia index up a few points. It also set one music critic who was never enthusiastic about the Spanish pianist's playing to contemplating the phenomenon of celebrity in America and the price it sometimes requires serious artists to pay. For Mr. Iturbi *was* a serious artist in his earlier days — by some accounts a blazing virtuoso — and against heavy odds he managed to sustain a modest career as a pianist and conductor until shortly before his death at the age of 84. Arriving on the international scene in the late 1920's, he made a major reputation at a time when the earth was being shaken by pianistic giants: Rachmaninoff, Hofmann, Lhévinne, Serkin, Horowitz, Gieseking, Schnabel, Rubinstein. He established himself as a specialist in the most difficult Spanish music but also was admired for his Chopin and Mozart. Reviewers of the time sometimes complained that his style tended to be silky and superficial, but he built a considerable following during the 1930's. He was only one of a vintage crop of fine pianists, but he did rank.

Then came MGM's discovery of the Iturbi charm and the Iturbi willingness to follow a middle-brow script — out the window, if necessary — after which his status as a celebrity rose steeply. Just as sharply, his standing as a musician began to fall. To some extent, this slippage was probably traceable to snobbery: It was difficult to listen objectively to a concert pianist whose recent credits included "Anchors Aweigh," with Gene Kelly and Frank Sinatra. But unquestionably, too, Mr. Iturbi's natural inclinations toward show business began to show up in his playing to an increasing degree. And why not? By the mid-1940's José Iturbi may have been known by name to more people than any pianist who ever lived, except possibly for Ignace Paderewski and Oscar Levant.

Anyone who was able to get to the movies regularly in the 1940's came to know the Spanish pianist intimately. He was so popular and so instantly recognizable that MGM simply cast him as himself in such musicals as "That Midnight Kiss," while Kathryn Grayson and Mario Lanza had to be content with impersonating fictional characters. He played himself, too, in "Three Daring Daughters," while the likes of Jane Powell and Jeanette MacDonald were mere masqueraders. He epitomized, at least for movie fans, what passed in the 1940's as continental suavity. In the quaint argot of the time, Mr. Iturbi was "a smoothie." He could zip through a patch of boogie-woogie with the same smiling insouciance as Victor Borge or render a snippet of Beethoven with the mock-sobriety of Oscar Levant. His records, bearing such titles as "Iturbi Treasures" and "Music to Remember," helped carry his fame far beyond the lobbies of film palaces. He was everything a musical celebrity in America should be. He collected art and flew to concerts in his own plane. He even lived in Beverly Hills.

Of course, it can be protested that other musicians, among them Stravinsky, Schoenberg and Rubinstein, lived in Hollywood without completely losing the esteem of the musical world. It might be contended, furthermore, that Mr. Iturbi's standing among musicians was never so high that it had all that far to fall when the movies called. It is possible, too, that celebrity caught up to him as his star was already on the wane. American musical history is filled with examples of once-important artists who found sanctuary and profit in show business in the twilight of great careers. Like many an emeritus diva of earlier times, Mary Garden toured in stage shows. Helen Traubel left the Metropolitan Opera to sing in nightclubs with Jimmy Durante, you'll remember, when her Wagnerian soprano was well on the downgrade. Ezio Pinza timed his vocal decline to coincide with his rise to Broadway celebrity. Callas made a stab at the movies. Beverly Sills found herself an opera company to run and a talk show to host. But that's show business. Music loses little by such 11th-hour defections, and in some instances there may be offsetting gains. Pinza's "South Pacific" album is a more valuable memento of his late years than a shakily sung record of Mozart arias would be. When an artist can combine honor at the end of a serious career with a new kind of popularity, some sort of protean ideal is reached.

Culver Pictures

José Iturbi with Jeanette MacDonald in "Three Daring Daughters" (1948)

Even now, if you scan the show-business horizon, it is possible to discern important singers who seem to be experimenting with the transition from mere artistry to celebrity. Luciano Pavarotti, for instance, is at a difficult stage. Like many tenors, he started out with a light lyric voice and gradually has moved to heavier, darker parts. Caruso, the model in this as in so many other matters tenorial, ultimately sang such dramatic roles as Radames, and sang them with thrilling ease.

Musical celebrity, once bestowed, tends to stick. That seems particularly true of fame that was bestowed in the 1930's and 1940's, when movies and the radio controlled the great public's tastes. A musician had only to make it big with MGM or on the "Telephone Hour" and fortune was assured. Think of the names that grew large in those years: Stokowski, Kostelanetz, Fiedler, Eileen Farrell, Evelyn and Her Magic Violin, Rise Stevens, Gladys Swarthout, Miliza Korjus, Nelson Eddy, John Charles Thomas, Lily Pons, Lanny Ross. The most renowned harpist was named Marx, the most famous violinist was named Rubinoff, or perhaps Benny.

Guilt by association takes over here, inevitably. Celebrity tends to iron out differences in real talent, so that after a time not only the fan of popular culture but also the presumed sophisticate finds himself thinking of Iturbi and Liberace, say, in the same category. Stokowski and Mickey Mouse were for many years another such a logical pairing, though the former managed to escape the celebrity trap by living to a venerable age and spending his last decades shaking off his only partly deserved reputation as a mass-cult charlatan.

Mass adulation on the Stokowski or Iturbi scale probably does even the finest musician some glancing harm in the long run, even though most artists would probably choose to take the risks, if offered. But the harm may be more psychological than physical or moral, and it quite possibly may be the listener's problem as much as the musician's. How many of us, for instance, must have gone to hear Stokowski in his post-Hollywood years with extreme prejudice, as if to punish him for allowing those egregious photos of his miraculous hands and snowy mane. Mickey's maestro did subdue his style in late years, and perhaps we implaccable listeners mellowed a bit. At any rate, we forgave him his sins before it was too late and we hoped he forgave us ours. We never could bring ourselves to be similarly charitable about Iturbi, which may only prove what a sweet cheat celebrity can be for victims on both sides of the footlights.

'Airplane!'—Parody that Works

By VINCENT CANBY

Heaven protect us from the hit movie, not really from the hit movie itself but from all of the sequels, spin-offs, rip-offs and what-have-yous that a hit movie inspires. After the huge popularity of "The Sound of Music," 20th Century-Fox almost went bankrupt attempting to repeat that success with such big-budget musical duds as "Star" and "Dr. Dolittle." More money has probably been lost on imitation James Bond films than on any other kind of picture. Right now "Animal House" movies are at such flood you might wish that theaters were equipped with life rafts.

Thus it was with as much relief as pleasure that last week I stumbled into (onto?) "Airplane!," the most complete, most successful movie parody since Mel Brooks's "Young Frankenstein" and, before that, Woody Allen's "What's Up, Tiger Lily?" (I haven't forgotten the Monty Python group's "Life of Brian." It's only that I think of Python comedy as a genre by itself.)

"Airplane!," which was written and directed by three young men who receive equal billing (Jim Abrahams and two brothers, David and Jerry Zucker), is not, strictly speaking, an "Animal House" movie. It is too firmly disciplined, too aware of what it's about at every side-splitting turn of events, to be compared to the ramshackle charms of "Animal House." I suspect, however, that one of the reasons why "Animal House" was such a success, and why the far less funny follow-up movie, "Meatballs," did so well is the manner in which both films parody not specific movies but the behavior in several decades of American films that equated good manners and clean-cut appearances with virtue. That foul-mouthed slobs may be more hip than campus jocks is not a new conceit, but the idea seems to have elicited a particularly warm response in generations of young people raised on the inoffensive insult comedy of television.

For reasons I don't understand, the subject of parody receives no entry of its own in either the Oxford Companion to English Literature or the Oxford Companion to American Literature. It's as if parody were considered a lesser form of literature than, say, satire, though parody has been practiced through the ages by everyone from Aristophanes and Chaucer to Pope, Swift, Fielding, Byron, Thackeray and Swinburne. Parodies written by Max Beerbohm, Wolcott Gibbs and S.J. Perelman are among our modern classics.

Because effective parody is even more rare in films than in literature, we shouldn't underestimate the achievements of Mr. Abrahams and the Brothers Zucker, whose only other film credit is "Kentucky Fried Movie," a sketch film they conceived and wrote but did not direct. "Kentucky Fried Movie," which I haven't seen, was directed by John Landis, who went on to direct "Animal House" and the current "The Blues Brothers," a movie that describes itself as a musical comedy and, though the music is fine, the comedy part is as unfunny as "Airplane!" is hilarious.

To get the full measure of how well "Airplane" succeeds, one simply has to walk across the street to see another new film, "Wholly Moses," a parody of Bible epics that fails miserably in spite of the fact that its star is Dudley Moore and its supporting cast includes such distinguished performers as Madeline Kahn, James Coco, Richard Pryor and Dom DeLouise.

Like all parodies, "Airplane!" is a sendup of an earlier work, but it can also be appreciated by people who have no knowledge of the work being parodied, which is something that can be said only of parodies on the order of "Joseph Andrews." The film has a life of its own.

"Airplane!'s" acknowledged source material is a 1957 movie called "Zero Hour," an airplane-in-distress melodrama I somehow missed. The stars were Dana Andrews, as a former Air Force pilot with a fear of flying who must land a giant airliner when the flight crew is incapacitated by food poisoning, and Sterling Hayden, who played his former captain, a man he loathes and the fellow on the ground who must "talk down" the frightened war veteran.

"Zero Hour" was directed by Hall Bartlett and was based on a story by none other than Arthur Hailey who, some years later, wrote a novel called "Airport" that went on to become an annuity for Mr. Hailey and the basis for films called "Airport," "Airport 1975," "Airport '77" and "Airport — The Concorde," each of which has contributed a dizzy cliché or two to "Airplane."

Mr. Abrahams and the Brothers Zucker have helped themselves to the central situation of "Zero Hour," which may actually seem more credible today, when we're all a little suspicious of airline food that too often looks and tastes as if it had been prepared in a locker room, than it was in 1957, when air travel was still exotic and free food, no matter how bad, was a treat.

"Airplane!" also has a sick child on her way to an urgent organ transplant and a singing stewardess, both suggested by "Airport 1975," a gruff airport manager (a role played by George Kennedy in the "Airport" movies), a couple of sweetly nutty little old ladies, a nun who seems already to have been beatified, obnoxious children, lovers who quarrel and other assorted passengers who turn up for a scene or two.

"Airplane!" is as densely stocked with sight gags as a Jacques Tati comedy and though they are not comparable to Tati's by any means, a lot of them are hugely funny and carry along those that aren't. (I have a theory — maybe only a feeling — that a movie like "Airplane!" depends for its success as much on gags that don't work as on those that do, though why this should be so, I've no idea. It may be that the failed gags form a kind of peat, or fuel, that gives energy to the gags that succeed.)

> ' "Airplane!" can be appreciated by people who have no knowledge of the work being parodied. It has a life of its own.'

The plot of "Airplane!" (the airplane in need) and the familiar characters are just the beginning of this film, though. Mr. Abrahams and the Zuckers have attended to the details of their parody with the care that Cecil B. DeMille once used to research a film like "The Ten Commandments." The musical score by Elmer Bernstein, who has certainly written enough of this kind of music to know what he's about, is pricelessly awful, a sort of amalgam of the scores for "The High and the Mighty," "Love Is a Many Splendored Thing" and those for any and all of the "Airport" movies. Joseph Biroc's color photography would be a credit to any big-budget, schlock melodrama of the late 50's and early 60's. Even the rhythm of the film is funny — the reliance on the always anticipated reaction shots, the cross-cutting between simultaneous actions, the models and the stock shots when you know the real thing would simply be too expensive. "Airplane!" does more than recall a certain kind of beloved if foolish melodrama. It demonstrates the methods of such movie making.

As important as anything else — the film has been impeccably cast with actors who somehow manage to suggest an earlier movie era without once betraying the suspicion that they have any idea that what they're doing is comic. I think particularly of Peter Graves (the airliner's chief pilot), Lloyd Bridges (in the George Kennedy role), Lorna Patterson (the stewardess who sings), Leslie Nielsen (the doctor who's aboard and whose inspiring "Knute Rockne" speech is a film highlight).

In comparison, "Wholly Moses" is as empty as the Southern California desert where it was filmed, probably because, unlike "Airplane!" and "Young Frankenstein," it really doesn't have much affection for the genre being parodied. It looks like the kind of parody that is made by someone who never cared enough about Hollywood Bible epics to study the means by which they were made to work, which (let's face it) they once did.

THE MARKETS

The Dow Flirts WIth 900

By PHILLIP H. WIGGINS

The Dow Jones industrial average continued to flirt with the psychologically significant 900 level last week in a sharply vacillating post-holiday stock market in which the tempo again was set by institutional buying. The pivotal market indicator finished the week 2.22 points higher, at 891.13, as volume expanded from the holiday-shortened week before. It came closest to a breakthrough early Wednesday, when it went as high as 908.87 during the session, but failed to close above 900 on any day.

"The market had a tough time this week with the heavy resistance at the 900 level," said Hildegard Zagorski, assistant vice president and market strategist at Bache Halsey Stuart Shields Inc. "This area has turned back three advances over the past two years with rather disastrous results. Each time the market crossed 900 it took a tumble of at least 100 points. Peaks were recorded in September of 1978, October of 1979, and the most recent one in February of 1980."

Analysts traced some of last week's buying by institutions — pension funds, banks, insurance companies and mutual funds — to the fact that they were experiencing a huge inflow of cash from maturing high-yielding, short-term money-market instruments bought earlier in the year.

"This cash was looking for a home and found its way into the equity market," said Mrs. Zagorski. "At the same time, however, each time the market reaches the 900 level, a lot of programmed institutional selling takes place. Thus, 900 looms, not only as a psychological barrier but and area of heavy supply as well. It will require a very strong surge of buying to send the market through this area of heavy resistance."

Although there was abundant economic news last week, it appeared to have little real impact on stock prices. On Monday, several major banks and a number of smaller banks cut their prime interest rates to 11½ percent, from 12 percent, and the Federal Reserve Bank reported that the basic money supply had fallen $800 million in the week ended June 25. Although the Dow added 9.3 points that day, the rise was mainly attributed to the institutional activity and a strong showing by technology and energy issues.

On Tuesday, the stock market failed to react to a report of an eight-tenths of 1 percent rise in producer prices in June. Energy and precious metal stocks were again the focus of investor attention.

Stocks on Wednesday broke through the 900-barrier with a flourish during a midday rally as volume soared to 52 million shares. But in the last 45 minutes of trading the advance was wiped out and the Dow closed at 897.27.

Analysts blamed the late-session setback on nervous selling from margined accounts, which was also present to a lesser degree in the two preceding sessions. Big declines in silver and gold prices depressed metals stocks with such mining issues as Campbell Red Lake, Homestake, Hecla and Callahan showing sharp declines.

In Thursday's market, prices plunged 11.35 points and volume slumped to 43.7 million shares. The broad downturn in prices of oil shares, attributed by analysts to softening gasoline prices and an unseasonable rise in inventories, was the main depressant. Among the big losers were California Standard, Atlantic Richfield, Mobil, Texaco, Gulf, Phillips Petroleum and Exxon.

On that day, the Ford Motor Company slashed its quarterly dividend to 30 cents, from $1, but its stock rose ¾, to 26⅝. Analysts said the sharply lower dividend, meant to conserve cash, had been expected and that the payout could have been even lower considering auto industry problems.

On Friday, with another quarter-point cut in the prime rate by Citibank, stocks recovered, with the Dow gaining 5.21 points. An active I.B.M. was up 1¼ points, to 62¾, after reporting a 14.5 percent increase in second quarter net income.

MOST ACTIVE STOCKS
WEEK ENDED JULY 11, 1980
(Consolidated)

Company	Sales	Last	Net Chng
Citicorp	2,643,500	23½	+ ⅞
IBM	2,352,500	62¾	+ 1⅝
Mobil	2,011,500	75⅞	— ¾
Boeing	1,912,200	37⅝	+ ⅜
US Air	1,784,600	14¼	+ 1¼
Gulf Oil	1,616,300	45	+ ⅞
Texaco Inc	1,589,100	37	— ⅞
Ralstn Pur	1,553,500	12½	+ 1
Amer T&T	1,493,600	52¾	— ⅛
Gen Motors	1,465,900	49⅞	+ 1⅞
Merrill Lyn	1,391,300	26¼	½
Firestone	1,338,900	7⅛	+ ¼
GK Tech	1,294,700	39¼	+ 9⅝
Phillips Pet	1,294,700	45	— 2¾
Exxon	1,282,400	68⅛	— ⅞

MARKET BREADTH

	This Week	Prev. Week
Advances	1,122	1,085
Declines	787	749
Total Issues	2,111	2,085
New Highs	216	128
New Lows	7	4

STOCK VOLUME
(4 P.M. New York Close)

	1980	1979	1978
Monday	42,543,950	42,464,290	22,472,880
Tuesday	45,830,540	39,731,880	27,467,970
Wednesday	52,806,100	36,644,600	26,642,370
Thursday	43,731,800	31,774,640	23,621,920
Friday	38,311,290	33,069,240	28,369,960
Total week	272,426,680	183,684,580	128,575,100
Year-to date	5,606,933,432	4,030,325,593	3,649,519,873

WEEK'S MARKET AVERAGES

New York Stock Exchange

	High	Date	Low	Date	Last	Net Chng.
Indust.	77.71	9	76.43	10	77.11	+0.53
Transp.	57.82	9	56.77	7	57.67	+1.25
Utils.	39.10	7	38.73	10	38.75	-0.10
Finance	66.84	8	66.51	7	66.52	+0.13
Composite	67.45	8	66.18	10	67.44	+0.37

Standard & Poor's

	High	Date	Low	Date	Last	Net Chng.
400 Indust.	134.65	9	130.95	10	132.69	+0.52
20 Transp.	17.62	8	17.15	7	17.42	+0.29
40 Utils.	53.69	8	52.73	10	52.94	-0.31
40 Financial	13.22	8	12.93	10	13.07	-0.02
500 Stocks	119.52	9	116.38	10	117.84	+0.38

Dow Jones

	High	Date	Low	Date	Last	Net Chng.
30 Indust.	908.87	9	883.28	10	891.13	+2.22
20 Transp.	304.86	9	285.77	7	291.52	+5.75
15 Utils.	116.83	7	114.23	10	114.68	-0.91
65 Comb.	330.51	9	322.43	7	325.18	+1.82

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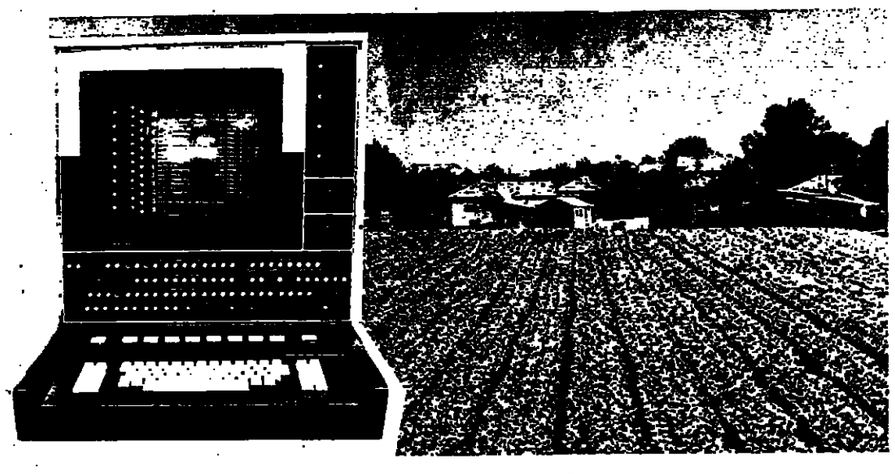

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JOBS FOR JULY

GARDENER'S CORNER
Walter Frankl

SCHOOL HOLIDAYS will keep most children at home for another six weeks. So why not involve them in your gardening activity? It will not only keep them busy, but also give them a great educational experience.

They will have an opportunity to learn more about plant growth, one of nature's most exciting miracles and will generally become more garden-minded.

Smaller children can be engaged in watering as well as fruit, vegetable, and flower-collecting. And they can pick out weeds and sweep up lawn clippings. Teenagers can be taught to trim lawn edges, cut hedges and feed plants.

The more you educate your children on gardening now, the more they will enjoy and appreciate it — and the more they will be able to help as they grow older.

WATER, SUNLIGHT and suitable plants are available to most home gardeners, but to keep the plants alive in the dry and sometimes very hot temperatures of July, a suitable soil has to be formed and this can be achieved by adding organic matter.

All your plants — flowers, vegetables, house plants, etc. — should be literally fed now with compost or manure, and not exclusively with artificial fertilizers.

Organic matter gives life to the garden because it provides nutrition and increases the population of micro-organisms — plants and animals — in the soil. Insects and earthworms can be seen with the naked eye, but the microorganisms which inhabit the soil can be seen only with the help of a microscope. And there are vast numbers of these micro-organisms. They are very active and break down organic matter to relase nutrients that are used by plants.

You can buy valuable compost at garden centres and seed shops in small plastic bags (1 kg) or in big sacks (40 kg-50 kg), but there is no better compost than your own.

Anyone with a little space in the backyard can set aside a patch of ground to establish a compost heap or trench. I have found a new approach to this problem in my small garden. Compost heaps or trenches are a very necessary part of any garden, but they can never be called beautiful.

A couple of years ago, I needed a quantity of soil to fill new balcony containers, but unfortunately all uncultivated land in our vicinity — once a source of good garden soil — had disappeared as more and more houses were built and fenced off.

To buy such a large quantity of soil from a nursery was a very expensive proposition, so I finally sacrificed one of my more modest garden beds. I managed to transplant some of the flowers safely to another spot, and with the soil available I filled all my new containers and flower pots.

For the emptied bed I found another use: it became my new compost trench. After a few weeks this trench was filled with all the garden wastes — weeds, dry leaves, pine needles, faded flowers, potato-peelings. I collected soil from rose and tree trenches and covered the compost trench with a soil-blanket about 15 cm to 20 cm deep. Meanwhile, I filled with mulch material the empty rose and tree trenches.

The soil-covered trench now looked like a newly prepared garden bed and I really used it as such. Shallow-rooting annuals, like alyssum, portulaca, dwarf tagetes, echium (an annual bedder with light blue flowers, available locally) and lobelia grew perfectly over my compost factory.

Epiphyllum

When these annuals faded after about six months, I turned the area over with a garden fork and benefited from the end product — a dark brown, nearly black, decayed humus: the idea garden soil.

This bed was now ready and deep enough to be planted with all kinds of plants — spring flowering bulbs, annuals, perennials or vegetables, which, due to the abundance of organic matter, had an excellent growing medium. I have now used this system for several years and if you do not want to spoil any of the lovely views in your garden when creating your own compost, you should try it, too.

Put a layer of coarse vegetable material or some tree or shrub branches in the bottom of the trench so the air can get under. Cover shallowly at first. While shallow-rooting annuals will produce lovely colour, the underground movement of worms and micro-organisms will produce valuable organic matter.

To hasten decomposition of the raw material, spread some nitrogenous fertilizer (ammonium sulphate or urea) over it before you cover the trench.

Some gardeners persist in believing the myth that fertilizers may kill earthworms. In fact, the contrary in true. When fertilizers are added, the production of organic matter increases and, as a consequence, the number of earthworms also increases.

WELL-ESTABLISHED lawns should be kept mown and watered regularly. Perennial weeds should be eliminated with their roots before you give them attention with the lawn mower. Weak grass patches should be encouraged by a light dressing of urea just before the next sprinkling. Urea is, of course, produced by animals and is secreted in urine. However, the urea used as fertilizer today is all synthetic. It contains 45 per cent nitrogen, more than double the quantity of ammonium sulphate — 20.5 per cent.

All lawn edges should be kept well trimmed. July is a month when new lawns can still be sown or planted in Israel. You may also use "prefabricated" turf rolls (available at the Kibbutz Brenner nursery) to establish a new lawn. Prepare the ground in early morning and plant in late afternoon.

If you are planning to raise perennial or biennial plants for the flower border or for balcony and roof-garden containers, the cheapest way by far is to grow them from seed.

For the cost of a few packets of seed, you can produce ample plants for the average garden and have some over for your neighbours and friends. Fill some boxes — don't forget drainage holes — with a mixture of compost and sand (equal parts) and place them in a wind-protected spot under shady trees or shrubs.

At this time of the year, when temperatures are running high, it is essential that the seeds and seedlings never dry out. Perennial delphiniums in various shades of blue are highly recommended, but if your garden is exposed to wind and you cannot spare time for staking and tying, choose some dwarf or medium-high flowers like pansy or aquilegium.

ONE OF THE JOYS of gardening is that while you are enjoying the present, you are always looking ahead. So why not make a sowing now of colourful pansies (viola tricolor; *amnon v'tamar* in Hebrew) to provide colour in winter (in all regions of a mild climate) and early spring?

They are easy to grow, and you can buy seeds locally, either in mixed or in specific colours, regular or giant types.

They should be sown in flats for germination and be pricked out into nursery beds or yoghurt cups as soon as they are large enough to handle. Transplant them to their final destination as soon as they show six to eight leaves.

Begonia rex (*begonya mefuspesset* in Hebrew) can be propagated this month. Take the best-coloured, mature, but not old leaves, make cuts on the undersides of the main veins, using a razer blade, and then pin them down on a moist mixture of peat and sand. It is from these cuts that young plantlets will develop.

Coleus seed (*nedanunit met'suya* in Hebrew) can be sown now in pots or trays in a 50:50 mixture of red soil or clay and sand. They will germinate in two to three weeks and may be ready for transplanting in late August. These plants, when later kept indoors, will provide excellent room decoration on, say, a windowsill.

The imported seeds, which are available at most seed shops, come in many pleasing, striking foliage colours, including bronze, gold, salmon, pink, cream and deep red or purple.

Do not discard the smaller seedlings. They sometimes grow very slowly and will probably need more time to develop. And if they are grown on, they usually produce the best-coloured foliage, which in the case of all seedlings is green at first; the colours develop as the plants grow. Keep all coleus plants partly shaded and constantly slightly moist.

His master's voice

By JUDY SIEGEL/Jerusalem Post Reporter

WHENEVER Jacob Pincus Perelmuth is away from home, he finds a *shul*, takes an inconspicuous seat in the back row and enjoys the *davening*. Seeing a stranger, the other worshippers usually invite him to lead the prayers. More often than not, when they hear his mellow tenor voice and soulful delivery, they offer him a job as a cantor.

"Fifty years ago, I might have taken it," says Perelmuth, who is better known as the international opera star Jan Peerce.

Disappointing his mother, who wanted him to be either a rabbi or a doctor, he left his studies at Columbia University in New York to become a dance-band violinist, and in 1933 obtained a long-term engagement as a singer at Radio City Music Hall.

It was then that the man who discovered him, Samuel ("Roxy") Rothafel, urged him to change his name. "Not because it was too Jewish," says Peerce, who at 76 looks a decade younger and still has a rich voice. "He just thought that my career would go faster if I had a more euphonious name."

Building on Perelmuth's initials, Roxy "christened" his singer "John Pierce."

After six months with the name, the young tenor still felt as uncomfortable as with a tight shoe. "To me," he recalls, " 'John Pierce' should have been somebody over six feet tall, with blond hair and a sharp nose. I had to change it."

Roxy was reluctant, but he satisfied Perelmuth by changing the spelling to a less *goyische* "Jan Peerce."

His father, who ran a wedding hall and catering business in Manhattan, resented it at first, especially when people started calling *him* "Mr. Peerce." But he became reigned to it when Jan explained that it was for the good of his career, and he *kvelled* with pride when he saw his son rise to fame.

PEERCE SANG with all the great *hazanim*, but though he loved cantorial music, his real love was opera. In those days in New York, tickets for performances were cheap.

When he was a 12-year-old pupil at Yeshiva Tiferes Yerushalayim, someone took him to hear his first opera. "It made an impression on me," says Jan of his first memory of the Metropolitan Opera, "but it didn't fire me up."

Arturo Toscanini heard him sing at Radio City in a performance that was broadcast over the radio, and invited him to sing with the NBC

Jan Peerce (Zoom 77)

Symphony Orchestra. With such a renowned patron, Peerce was respected and hired by a small opera company that toured the U.S. and taught him the basics of makeup, costumes, voice and acting. In 1941, he sang in "La Traviata" at the Hollywood Bowl and was invited to try out for the Met. "I was there for 28 years," he says.

Peerce was acclaimed for his colourful quality, his sensitive interpretations and flexible style that suited both Italian and German music.

It is as difficult for a singer to pick his favourite opera as it is for a mother to name her favourite child. But Peerce, when pressed, lists "La Boheme," "La Traviata," "Rigoletto" and "Don Giovanni," among the 40 or so operas that he studied. He has a solid repertoire of 18 works, and if asked to sing one of them, he could "do it tomorrow."

Peerce is almost aghast when asked whether he is ever bored by repetition of the same opera. "Why, if you sing and can't find anything new every time you do it, you'd better not do it. It's just like saying prayers. You must find something new every time, and it must touch your soul," he explains.

In addition to fluent Italian and Yiddish, Peerce speaks a good German, a little French and Ashkenazi Hebrew.

Now here on his 23rd visit (it's his wife Alice's 31st trip), Peerce forces himself to speak Sephardi Hebrew "with mistakes."

HE LOVES Israel and wouldn't think of criticizing it publicly — or even privately. Alice, as a long-time volunteer for Israel Bonds, shares his feelings, as do their children Larry (a successful film director), Susan and Joyce.

Though he has received many awards and honorary doctorates, he was very moved when the Hebrew University in Jerusalem decided to give him their Scopus Award for his contribution to Israel, Jewish life and music. "I couldn't understand why they would pay me tribute for being proud and part of my own people," he told *The Jerusalem Post*.

Asked why many other Jewish entertainers and performing artists don't show his kind of devotion to Israel (he is a regular at New York's "Stars Salute to Israel" benefits), Peerce looks puzzled. "I can't remember when I didn't think Israel or Zionism. I suppose if Jewish stars were invited to Israel, they would come." Peerce says he has watched many assimilated Jews suddenly "discover their roots" when they visit Israel.

A cousin of his wife's came on aliya from Moscow about a year ago, and is now working for the Russian-language department of Kol Yisrael. "He says he's reborn — that he never lived until he came here," says Peerce. Learning that the new immigrant had never heard of the Psalms, Peerce took him to his favourite Mea She'arim bookshop and bought him several copies of a Russian-Hebrew prayer book.

PEERCE toured the Soviet Union under U.S. State Department auspices in 1956, and again in 1963. As usual, he went to the Great Synagogue in Moscow and sang Jewish songs. Thousands of Jews who couldn't get in waited outside and mobbed him as he left.

He performed at the Bolshoi, Tchaikovsky Hall and other halls in Moscow, and in Leningrad and Kiev as well.

At one concert, Jews made up about one-fifth of the audience and they called for an encore of Jewish songs. "But I didn't have my music: it was at the hotel." When his Russian hosts tried to discourage him by pointing out that he didn't have a car, "Alice put her foot down and said that if she wasn't provided with transportation, she would go to the hotel on foot." A car miraculously appeared, and Jan sang Yiddish songs.

Peerce prefers not to comment on the state of opera in Israel, except to say that "there certainly is room for an opera company that this wonderful country — with so much culture — deserves."

American opera has been on the upswing for several years, and has received a special boost from Luciano Pavarotti, who attracted 150,000 New Yorkers to an outdoor concert in Central Park recently. Peerce also credits TV, which has introduced tens of millions of people to opera.

Peerce no longer performs regularly. He had to leave the Met after he fell and broke a leg in San Francisco. "I can no longer climb the many stairs necessary for opera."

(When Peerce was recuperating in hospital, he was amazed that the Lubavitcher Rebbe, Menahem Schneerson, had sent some of his hassidim to visit and pray for him. Since that experience seven years ago, Peerce and his wife have been Lubavitch hassidim, and have met with the rebbe in private audiences.)

Peerce takes care of his voice by practising scales regularly. "God forbid that people should say: 'Ten years ago, he had a marvellous voice.' When the performer walks out on stage, the audience is saying to itself: 'Prove it!' You must not take your voice for granted."

Only once, in Philadelphia 39 years ago, did the great tenor go on stage when he should have stayed off. "I had a terrible cold and begged to go home, but the company manager said I had to go on. It wasn't a bad performance, but I felt it wasn't up to my professional standards. I resolved then and there that I would never do such a thing again."

He keeps active by making recordings, and by giving performances in Israel.

Graduates perform

DANCE
Dora Sowden

FIFTEEN GRADUATES of the Rubin Academy Dance Department in Jerusalem showed one reason why they qualified in their examinations, when they presented their choreography in the Beit Ha'am (July 8). Performed by students of the academy, the works showed notable inventiveness within the scope of time and place. Several were essays in movement rather than dance. One solo, "And Nothing New," by Talia Hadouri, danced by Alice Cohen (music: Lutoslavski), made intricate and interesting use of a hoop to convey theme and feeling.

"Pandora's Box" by Anat Ginor (music: Ari Ben Shabtai), suggested the box by a grouping of five dancers. In Ruth Barr's "Tracks," dancers moved like animated lay figures. Sima Weiman set six figures in slow motion to Lea Goldberg poems. "The Little Prince" by Miri Belinkov-Cohen (music: Haim Permont) had a story line. Galia Tal used modern idiom (music: Alexander Tamir, with Hassia Levy-Agron) and Ariella Weiner a more Graham effect (music: Mahler).

Anat Sharon and Aviva Haik-Klopfer explored human relationships. Dassi Greenberg made the only attempt at humour. Galia Magen's "Blind Musician" (music: Haim Permont) failed to make the point clear, but Ruth Shemesh showed awareness of dance essence. Miriami Miron created a surrealistic pattern, and Tami Halprin bowed acquaintance with classical style in light mood.

The performance was within the framework of the Summer Dance Courses now taking place at the Rubin Academy, directed by Professor Hassia Levy-Agron.

The following night (July 9) five former graduates performed in the Academy hall.

The most impressive performance was by Tzipora Leveniboim, who spent three years at the Juilliard School, New York. The Spanish beat of Carlos Salzedo's "Chanson de la Nuit" was reflected in the dancer's solo (choreographed by herself).

Miri Yavetz also choreographed her own solo "Caravan" (music: Chic Corea), which she danced with skill and which she could have made more interesting if she had avoided such dance clichés as running in circles. She will repeat her solo in the Tel Aviv Museum for "Dancer's Stage," arranged by the Israel Dance Library (July 17).

Three other fine dancers — Alice Cohen, Batya Cohen and Tamara Mielnik — interpreted choreography by Hassia Levy-Agron, set to the "Monologue" of composer Benzion Orgad and played by violinist Yuval Kaminokovsky.

Incredibly profound

MUSIC
Benjamin Bar-Am

PIANO RECITAL BY VARDA NISHRY (Tel Aviv Museum, July 8). Eight Preludes and fugues from Bach's "Well Tempered Clavier"; Tzvi Avni: Epitaph — Sonata " (première); Messiaen: from "Catalogue of Birds"

TZVI AVNI'S "Epitaph — Sonata" is one of two important recently composed Israeli works (the other being Orgad's "Resluyot"). It was dedicated to Varda Nishri and was premiered by her at this recital.

This sonata is incredibly profound and sincere. It is a moving dialogue in which nothing remains hidden and even the most painful, tragic and suppressed things surface.

Musically, it is an exciting, inventive and immensely imaginative work.

Starting on a long succession of repetitive bass notes, in changing rhythm — a meditative and thoughtful introduction — the music then flows in quickly contrasting and changing textures.

Heavy, often highly dramatic, widely spaced dissonant chords are juxtaposed with plaintive, Oriental-Jewish melos in parlando style.

Avni's melody is a sorrowful recitative, a spiritual revelation in which profound grief is expressed.

An impressive development follows with the music exploding in orchestral volume only to revert to its intimate parlando style.

Despite the many, changing episodes and sudden jumps, the work emerges as a piece of complete formal unity and unmistakable originality.

Miss Nishry put her soul into the music and her reading had a sacred-cult quality. Her identification with the work was complete.

Only the turning of the pages had a most disturbing effect and harmed the atmosphere of spiritual concentration.

This significant piece of music was preceded by four preludes and fugues from Bach's "Well Tempered Clavier."

In the four opening pieces Miss Nishry plodded meaninglessly.

However, an imaginative and spirited performance of "Le Courlis Cendre," from Messiaen's "Catalogue of Birds," brightened the picture considerably and led us to four other preludes and fugues at the end of the recital, which flowed much more impressively and seemed free of over-intellectualization.

Though I appreciate Miss Nishry's preoccupation with Bach, and especially the preludes and fugues, I still find nothing impressive, unusual, original or particularly revealing in her performances.

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by Barbara Eskin

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A SPECIAL BOOKSHOP

I must write about this bookshop for the benefit of tourists and locals alike. For tourists, Bestsellers is a great place to relax after a long day's touring, where you can get a free cup of coffee and feast your eyes on the latest bestsellers all sold at an incredible 20% discount. And for us locals, Bestsellers is a great place to relax after a long day's work, etc. And besides their wide range of bestsellers, they have a specialty book department (art, cooking, religion, etc.) and a secondhand department. Don't miss Bestsellers — wherever you come from. Located in the Clal Centre — Jaffa Rd. Tel: 02-245813.

SAVE MONEY ON FOOD

In these hard economic times, we are all looking for bargains. Well, search no more! Cheapmarket sells quality food products, frozen kosher meats, canned goods, cosmetics and cleaning products with up to 30% lower prices in many cases than any place in town. Even milk products are 10% lower and ice cream 20%. Their prices are so low because you only pay for the item, you don't share in the cost of maintaining a large staff or luxurious surroundings. There is home delivery for purchases above IS500. They also have a large parking lot for your convenience. Cheapmarket is located in the Givat Shaul industrial area — at the end of the No. 11 bus line on the continuation of the Angel Bakery Rd.

FOR YOUR INFO.

If you are interested in having your product or business featured in this weekly column, contact Barbara at 02-818718.

QUALITY AND CHIC IN LEATHER

For the latest, choicest fashions in leather, the place to go is Danaya. Danaya, located at the Hilton Hotel and in the centre of town at 23 Hillel St., the shopping mall adjacent to the Jerusalem Tower Hotel, carries a complete line of suede and leatherwear for men and women. The standard of quality at Danaya is so high that, if the slightest imperfection is found, it is immediately sent back to the factory. Tourists and diplomatic staff are entitled to duty-free price savings of 30%! Come in to Danaya today — they tailor to the most discriminating

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Located in the shopping arcade of the King David Hotel, is Georg Jensen. Georg Jensen, Israel, is a beautiful link in the chain of international Georg Jensen shops.
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EVERYTHING FOR YOUR CAR

Summer's coming up and it will take some adjusting to — both for you and your car. There are all kinds of protection but a major one is white canvas covers for the outside and seat covers for the inside, to protect your car from the blazing Israeli sun, which can do so much damage. Lennie and Toby Shuster at Solomon's Car Accessories handle every item for your car, including the covers, plus a new free steering wheel cover, with every purchase of seat covers. Located at 24 Agron St. Tel. 248925. — opposite Independence Park.

EXCLUSIVE DESIGNS AT REASONABLE PRICES

Danit, the exclusive, high fashion boutique at the King David Hotel, has clothes that cater to every taste and pocketbook. Danit designs and manufactures stunning creations at the most reasonable prices, and since only one garment is made to each design, you'll stand out in any crowd as wearing a Danit exclusive. Danit also carries Gottex and Niba fashions.
You'll find branches of this great shop at the Dan Tel Aviv, Dan Caesarea, and King David (02-221111).

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BIRTHDAY SPECIALS

The American Israel Health Food Shop will begin its birthday celebrations the last 2 weeks in July. Watch this column (and other papers) for details of sales and specials at Israel's fastest growing health food store.
Terumot, Maasarot, and Shmita strictly observed.
All this in addition to their usual low prices and courteous service. Shop in air-conditioned comfort. Open for your convenience from 8.30 a.m.-7.30 p.m. The American Israel Health Food Shop is located at 78 Jaffa Rd., Tel: 02-249031.

THE BIBLE COMES ALIVE IN SILVER SCULPTURE

Yaakov Heller, a former American from Ohio, has lived in Israel since 1972. Drawing inspiration from the mystical beauty of Jerusalem, he has become world renowned for his silver sculpture based mainly on Biblical subjects. His statue of David and Goliath was presented to Gerald Ford in 1974. Other sculptures depict such scenes as the expulsion of Adam and Eve from the Garden of Eden, Moses receiving the Ten Commandments, the Last Supper and many more, all in exquisite silver detail. Yaakov Heller has also created a unique line of gold and silver jewelry. Visit Yaakov Heller's three locations, and see the Bible come alive. In Jerusalem — 22 King David St. (opp. King David Hotel) Tel: 02-233235, — Tel Aviv — in the Ramada Continental Hotel, and in old Jaffa — Gallery Atik, Tel: 03-826796.

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He also has wheelchairs — even a stand-up one, stair climbing machines, personal elevators for those who can't climb stairs, and a car wheelchair lifter, which automatically lifts a wheelchair onto a car roof. For further information contact, Mr. Gurewitz, Tel: 02-422293

Bank Hapoalim: 'Our growth is fastest'

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. – The balance sheet of Bank Hapoalim has consistently grown faster than that of the other two leading banks — Leumi and Discount — over the past five years, according to data furnished by the bank.

The following chart gives comparative figures.

Growth rate of balance sheet (in per cent)

	Hapoalim	Leumi	Discount
1974	81.4	70.7	63.3
1975	51.2	42.9	38.1
1976	52.7	46.3	48.6
1977	95.1	85.1	94.5
1978	73.4	67.1	66.3
1979	129.2	123.6	129.1

Bank Hapoalim yesterday announced that it was floating a new issue of shares and options to increase its capital.

(Last year the bank declared a 45 per cent bonus dividend on account of 1979 and this year it has already declared an interim bonus dividend of 25 per cent.)

The issue will consist of 434,817,000 ordinary registered shares of IL1, and 98,481,000 options.

They will be distributed in the following manner:

Some 256,360,000 shares and 25,636,000 options are being offered to present shareholders and to those who hold capital notes and options, in the form of 2,563,600 "units." Each unit will consist of 100 IL1 registered shares and of 10 options. Each such unit will sell for IL430 (*IL3.90 for each share and IL4.00 for each option*).

In addition, 148,457,000 IL1 registered shares and 17,845,700 options are being offered to the public in the form of 1,784,570 "units." Each unit will consist of 100 IL1 registered shares and ten options, with each "unit" costing IL700 (IL6.60 or each IL1 share and IL4 for each option).

Some 55,000,000 options ae being offered to the bank's employees at the rate of IL2.70 for each option.

Hapoalim notes that in 1979 the growth of its net profits (after tax) were higher than those of its two leading competitors. Hapoalim had a net growth of 134 per cent, compared to 133.5 per cent for Leumi and 75.3 per cent for Discount.

Hapoalim's balance sheet for 1979 stood at IL486,937m., compared to IL212,483m. the previous year, a growth (as noted) of 129.2 per cent. The amount of deposits and fixed-term savings grew by 135.6 per cent in 1979, to stand at IL114.2b.

The value of its provident funds increased by 156.6 per cent in 1979, to stand at IL39b.

* * *

Dr. Zalman Segal, assistant to the board chairman of Bank Leumi, yesterday took issue with Bank Hapoalim's statistics. He pointed out that they were based on Hapoalim "lumping together" all of its local and foreign activities, while the figures for Leumi referred only to Israel, plus some minor activities abroad.

If the same method of calculation was used in both cases, Dr. Segal said, the results would be entirely different.

Bank Hapoalim, however, yesterday stood by its figures and said they were correct.

Egyptian Ambassador Sa'ad Mortada, having removed his glasses, uses a magnifying glass to inspect a diamond. Some of the finer points of the trade were explained to him by general manager Reuven Rotem during his visit last week at the Keren Or polishing plant in Ramat Gan. (Shaul Golan)

Shavit warns against hurting exports

Jerusalem Post Reporter

Avraham Shavit, the president of the Manufacturers Association, Friday presented a memorandum warning of grave developments in industry to Deputy Premier Yigael Yadin.

Shavit stressed the risks arising from the Treasury's and the Bank of Israel's intention to raise the interest rates on export credits.

Shavit pointed out that there has been a decline in real terms of exports and of industrial production, that unemployment is up and growing, that industrial productivity has fallen, and that investments contracted significantly in the first half of the year.

The only hope, Shavit said, lay in *promoting exports. Any injury to* exports will not only fail to curb inflation, but will also worsen the country's external balance, he said.

Observers pointed out that the picture painted by Shavit contrasted sharply with the optimistic predictions of Finance Minister Yigael Hurvitz in his Knesset speech on Tuesday.

Following 'absorption' of 13 new branches —

Leumi largest Jewish bank in the U.S. now

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — With the "absorption" this morning of the 13 branches of Bankers' Trust in New York, Bank Leumi Trust of New York becomes "by far the largest Jewish Banking system in the U.S." according to Dr. Zalman Segal, assistant to E. I. Japhet, chairman of the board of Bank Leumi.

Bank Leumi Trust of New York is an affiliate of Bank Leumi. With its latest acquisition, Bank Leumi Trust now has 24 outlets in New York, plus another two offshore, in the Cayman Islands and in the Bahamas. Bank Leumi Trust acquired the 13 branches of Bankers Trust some time ago, but they are only now being fully integrated, including their "computer systems," so they can function as one unit.

Commenting on the acquisition, Dr. Segal pointed out that the bank's policy is to go into the "retailing" field in banking. Thus, when Bankers Trust put up 85 of its branches for sale, Bank Leumi Trust chose only those in areas with high percentages of Jewish populations as a means of insuring constant growth.

The 13 new outlets are located at: 1660 Second Avenue at 86th Street; 1148 Third at 67th Street; 605 Third at 39th Street; 201 East 23rd at Third Avenue; 1960 Broadway at Lincoln Square; 85 Delancey at Orchard and 177 East Broadway, all in Manhattan.

In Brooklyn, the new outlets are located at: 2095 Ralph Avenue (Georgetown section); 4410 18th Avenue (Boro Park section); 3801 Nostrand Avenue (Kings Bay Section) and 1321 Kings Highway Flatbush section).

In Queens there is only one new outlet, at 9703 Queens Blvd., in the Rego Park section.

Leumi's latest expansion (the 13 outlets from Bankers' Trust) places it in 13th place among all banking systems in New York City and 14th in New York State.

Dr. Segal did not think that Leumi would continue to increase its outlets, although "another one or two might be added in New York City."

As for expansion plans in other places, each American state had its own banking laws, and in most cases these restricted each bank to only one outlet. Leumi already had outlets in Florida, California, Illinois and Pennsylvania.

Bank Leumi Trust in New York was, Segal said, "an American bank for all purposes," and subject to the banking laws of that state. This means that each deposit was guaranteed by the American authorities up to a maximum of $100,000.

Bank Leumi now has 70 per cent of all Israeli banking outlets in the U.S., and 60 per cent of Israeli banking outlets in the world.

Gulf states set up own insurance firm

KUWAIT (AP). — A total of 32 insurance companies from seven states in the Persian Gulf set up an Arab consortium for war risk insurance recently, designed primarily to replace Lloyds of London in covering oil tankers and other ships sailing in the Gulf.

"The Arab Fund for War Risk Insurance," will not bear the whole risk, but will share it with the world market, Khalil Shami, chairman of a conference attended by the 32 companies, said.

He added that the fund will be based in Baghdad, while the Iraqi insurance company will act as host for the fund.

Shami charged that Lloyds responded to "nothing but rumours" to raise the risk premiums for the Gulf area. "But the fund committee will be free from such influences because it will be acting in the area and be well aware of the circumstances ruling in it," he added.

Gulf officials and businessmen were outraged by Lloyds' decision last year to impose a surcharge to cover mounting dangers in the area.

They consider the new consortium as a direct reply to "Lloyds' blackmailing," as Shami put it.

FIBI six-month profits up

By JOSEPH MORGENSTERN
Post Finance Reporter

TEL AVIV. — The board of directors of the First International Bank of Israel (FIBI) yesterday announced the bank's unaudited semi-annual results, which showed net after-tax earnings of IS35.2m. For all of 1979 the bank earned IS23.4m.

Earlier this year the ownership of FIBI changed hands when a group of local industrialists bought control from the Eisenberg Group.

Net earnings per share for the first six months of this year, taking into account full dilution, was 81 old agorot for each IL1 nominal share. This compares with 56.8 agorot for each IL1 nominal share for all of 1979.

The board also announced its intention to pay a 10 per cent interim cash dividend. Shareholders will be asked to approve a 66 per cent bonus share dividend as well as a motion to increase the share capital by IS90.m. In order to receive approval for these motions an extraordinary meeting of shareholders is being scheduled.

The bank's shares have had one of the sharpest runups among commercial bank shares so far this year. The management of FIBI has announced that as of last week the shares were trading at a price earnings ratio of 4.9, when taking earnings on an annual basis and after full dilution. Based on last year's earnings, the shares were trading at a price earnings ratio of 14.

While no figures were given for the semi-annual balance sheet total, a bank spokesman told *The Jerusalem Post* that it should fairly reflect the rise in the cost-of-living index.

New car sales less than half; petrol consumption little changed

The consumption of petrol has remained virtually unchanged for more than a year, despite the increase in the number of motor vehicles, according to Treasury data.

The data show that petrol consumption in May was about 85m. litres, compared with 81m. litres in April — less than in any month in the previous fiscal year.

The higher fuel prices in April led to a 13.3 per cent drop in consumption, but in May consumption rose again by 3.4 per cent.

New car sales continue on the down grade: in May 1980 they were 64 per cent lower than in May 1979, and in April they were 70 below the sales of April last year. Car sales are now about 1,500 a month, compared with some 4,000 a year ago.

RUBENS. — One of the great Old Master paintings, "Samson and Delilah" by the Flemish artist Sir Peter Paul Rubens, sold for £2.3m. at Christie's in London on Friday. The painting was put up for sale by an undisclosed European "family" and bought by the London dealer, Thomas Agnew and Sons Ltd.

BUDGET. — *The Bat Yam City* Council on Wednesday night approved a budget for fiscal 1980 of IS136.8m., a 96.5 per cent increase over last year.

NEW MEMBER. — The Cabinet yesterday approved the appointment of four new members to the council of the Airports Authority: Arye Grossbord, Eliyahu Minkovitz, Avigdor Varsha and Avraham Koenig.

UNDERWEIGHT. — The packing plant at the Steibel flour mill in Haifa Bay was fined IS1,000 by a magistrate yesterday for skimping on the contents of barley and flour packages they filled.

Safad employment situation worsens

SAFAD. — One hundred and fifty local residents, many of whom recently completed their army service, have not yet found work in the town.

Yosef Sagiv, secretary of the labour council, said a number of local residents had been fired from plants in the area, and the owners say they have no alternative jobs to offer them.

Jobs at the Safad Hospital have been reduced, and no new workers are being accepted.

There are only nine industrial plants in the town, which employ a total of 600 people.

WITHDRAWAL. — The Swiss National Bank has decided to withdraw from circulation seven old-issue banknotes.

Total of savings schemes up 10%

The balance of the commercial banking system's savings schemes increased by 10 per cent, in terms of end-1979 prices, and amounted to IS14.11b., according to data released by the Treasury's capital market division.

The growth in the balance, in real terms, was 1.3 per cent in the last quarter of 1979, compared with 1 per cent in the third quarter, 4.3 per cent in the second, and 3.3 per cent in the first quarter of 1979.

The most active savings schemes are the so-called "continuation" schemes and the "Up to 120" scheme. These absorbed the bulk of fresh savings. These general savings schemes accounted for 87 per cent of all savings, while the rest went into specific savings schemes.

GOUGER. — *A Haifa minimarket* owner was last week fined IS150 for overcharging on four bottles of oil last June for IL4 each when the price was then IL2.35.

Builder killed in fall at Polgat factory

KIRYAT GAT (Itim). — A construction worker from the Gaza Strip was killed Friday after a 10-metre fall from scaffolding at the Polgat textile plant here.

Nasir Mohammed, 48, from Jabalya, was working at the site when he tumbled onto a pile of crates. Fellow workers administered first aid, and he was rushed to hospital in Ashkelon, where he died several hours later.

Police and Labour Ministry inspectors visited the site, and a commission of inquiry will look into the accident.

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Last minute ads will be accepted until 1 p.m. on Thursday.

"Close the deal" with Halush He'adif.

WHAT'S ON

Notices in this feature are charged at IL143.40 per line including VAT; insertion every day costs IL2531.20 including VAT, per month. Copy accepted at offices of the The Jerusalem Post and all recognized advertising agents.

Jerusalem

MUSEUMS

Israel Museum. Exhibitions. Permanent Exhibitions of Judaica, Art and Archaeology. Ladejinsky Collection of Asian Art. "Animals at the Israel Museum". The Maremont Collection of Pre-Columbian Art. Roland Topor. Photographs from the Dan Berley Collection. New additions to the Department of Prints and Drawings. Trends in Geometric Abstraction After Cubism. Hebrew Script and Inscriptions. Jewelry and Figurines from Burials: The Natufian Culture. Mexico: Exhibition of Mexican folk art (from 15/7). Buky Schwartz: Videoconstructions (from 15/7).

Rockefeller Museum. Function and Design in the Talmudic Period.

Open 10-8. Open tomorrow 4-10. At 11 and 3.30 Walt Disney's "True Life Adventures," film.

Guided Tour at Israel Museum: Sun., Mon., Wed., Thur. 11; Tues. 4.30.

Shrine of the Book: Sun., Mon., Wed., Thur. 10-5; Tues. 10-10; Fri., Sat. 10-2.

Rockefeller Museum: Sun.-Thur. 10-5; Fri., Sat. 10-2.

Old City Art Guide

The Jerusalem Artists Workshop, 7 Tiferet Israel, Jewish Quarter. Open 9 a.m. — 8 p.m. (closed Shabbat hours). Ceramic arts, sculptures, reliefs, artistic functional pottery, serigraphs.

CONDUCTED TOURS

Hadassah Tours

1. Morning half-day tour of all Hadassah projects. $5 per person towards transportation. Reservations: 02-416333, 02-426271.
2. Medical Centre, Kiryat Hadassah, Tours: 9, 10, 11, noon, leaving from Kennedy Bldg., includes Windows. *Friday tours begin at 8 a.m. by appointment only.* Tel. 02-416333 or 02-426271.
3. Hadassah Synagogue-Chagall Windows: Open to public from 1.30-3.45 p.m. Sunday-Thursday. Buses 19, 27
4. Mt. Scopus Hospital: tours at 9, 10, 11, noon. No charge. Tel. 02-818111. Buses 9, 28.

Hebrew University:

1. Tours in English at 9 and 11 a.m. from Administration Building. Givat Ram Campus. Buses 9 and 28.
2. Mount Scopus tours 11.00 a.m. from the Bronfman Reception Centre, Sherman Building. Bus 9 and 28 to last stop. Further details: Tel. 882819.

Emunah — World Religious Zionist Women: 26 Ben Maimon. Visit our projects: Jerusalem 662468, 630620; Netanya 053-24430; Haifa 04-236031.

American Mizrachi Women. Free Morning Tours · 20 Balfour Street, Jerusalem. Tel. 663503.

MISCELLANEOUS

Plant a Tree with your Own Hands with the Jewish National Fund at Abu Tor-Jerusalem Peace Forest. Sunday planters' tours include visit to Stalactite Cave. Details/reservations: 02-635261.

Jerusalem Biblical Zoo, Schneller Wood, Romema. Tel. 814822, 7.30 a.m.-7 p.m.

Tel Aviv

Tel Aviv Museum. Exhibitions Contemporary British Drawings. Weegee — Naked City. Photographs by Arthur Fellig: Edvard Munch, 100 prints. "News 2" — Abram Raphael, sculpture; Uri Katzenstein, environmental work. El Lissitzky, 11 illustrations from Had Gadya. New selection from the Israeli collection. European and American art collections. Prints and drawings from the collection. *Visiting hours: Sun. — Thur. 10 a.m.-10* p.m. (permanent exhibitions 10 a.m.-5 p.m.) Sat. 10 a.m.-2 p.m.; 7-11 p.m. Closed Fri. except box office — open 10 a.m.-1 p.m. Helena Rubinstein Library: Sun., Mon., Wed. 10 a.m.-4 p.m. Tue., Thur. 10 a.m.-1 p.m.; 4-8 p.m. Graphics Study Room: Mon., Wed. 10 a.m.-1 p.m., Tues. 5-8 p.m.

CONDUCTED TOURS

ORT Israel: For visits please contact: ORT Tel Aviv, Tel. 233231, 775131; ORT Jerusalem, Tel. 533141; ORT Netanya, Tel. 33744.

American Mizrachi Women. Free Morning Tours — Tel Aviv, Tel. 220187, 243106.

Pioneer Women-Na'amat. Morning Tours. Call for reservations: Tel Aviv 256096.

Emunah-World Rel. Zionist Women. Visit our projects: Call 03-788942, 708440.

Plant a Tree with your Own Hands, with the Jewish National Fund. Transport to Modi'in centre, Tuesdays. Details/reservations: 03-234449 or 02-635261.

Haifa

BAR-B-CUE at Hotel Lev Hacarmel garden, Monday to Thursday, from 8.00 p.m. Background music. 23 Heinrich Heine St., Haifa. Tel. 04-81406/7.

What's On in Haifa, dial 640840.

Rehovot

The Weizmann Institute open to public from 8.00 a.m. to 3.30 p.m. Visitors invited to see audio-visual programme on Institute's research activities, shown regularly at 11.00 a.m. and 3.00 p.m. Friday 11.00 a.m. only.

Tours of the Weizmann House every half hour from 10.00 a.m. to 3.30 p.m. and until 12.30 p.m. on Friday. Nominal fee for admission to Weizmann House.

For Tours of the House please book: Tel. 054-83230, 054-83328.

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Ruhama, 31 David Yellin. 222788; The New Tazziz, Azzahra St., 282040
Tel Aviv: Yehuda Hamaccabi, 42 Yehuda Hamaccabi, 455198; Pinsker, 20 Pinsker, 296519. **Holon:** Kiryat Sharet, Comm. Centre, K. Sharet, 803270. **Bat Yam:** Balfour, 90 Balfour, 583448. **Ramat Gan:** Herzl, 52 Herzl, 722372. **Netanya:** Karniel, Comm. Centre, K. Nordau, 51774. **Rishon:** Klara, 4 Manya Shohat, 999649. **Hadera:** Hanassi, 42 Weizmann, 24231. **Haifa:** Chanita, 22 Chanita, 231905; Motzkin, Sd. Hashoftim, K. Motzkin, 737243.
Beersheba: Jerusalem, 34 Herzl, 77034.

FIRST AID

Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebate.

Phone numbers: Jerusalem, Tel Aviv, Haifa — 101. Dan Region (Ramat Gan, Bnei Brak, Givatayim, Kiryat Ono) — 781111.

Ashdod 22222	Nazareth 54333
Ashkelon 23333	Netanya 23333
Bat Yam 855555	Petah Tikva 912333
Beersheba 78333	Rehovot 054-51333
Eilat 2333	Rishon LeZion 942333
Hadera 22333	Safed 30333
Holon 803133	Tiberias 20111
Nahariya 923333	

"Eran" — Mental Health First Aid, Tel.: Jerusalem 669911, Tel Aviv 253311, Haifa 538888, Beersheba 32111, Netanya 35316.

Rape Crisis Centre (24 hours), for help call 03-441341, Tel Aviv, 04-88791 Haifa.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics), Hadassah (internal, surgery, orthopaedics, E.N.T.), Misgav Ladach (obstetrics), Shaare Zedek (ophthalmology).
Tel Aviv: Rokah (pediatrics), Ichilov (internal, surgery).
Haifa: Carmel.
Misgav Ladach: Open line 4-6 p.m. every Monday answers to obstetrics, gynaecological, sterility and family planning problems. Tel. 02-633356.

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TWO-IN-ONE CROSSWORD

Use the same diagram for either the Cryptic or the Easy puzzle.

CRYPTIC PUZZLE

ACROSS

1 No slim girl! (5)
6 Punishment to bear (5)
9 Story of Cremona? (7)
10 Build in Crete, possibly (5)
11 Again a manuscript with much paper (5)
12 Fancy a horse going round about (5)
13 Claimed the lot, for example, for one person (7)
15 A figure in white, normally (3)
17 His line of work sounds dire (4)
18 She uses Spanish for the wrong reason (6)
19 Quoted from an edict (5)
20 She gets VI in a real muddle (6)
22 Land of sea creatures! (4)
24 Growing regret! (3)
25 Fruit and vegetables surrounding a piece of cheese (7)
26 Complaint that's noisy all the time (5)
27 Take clothes off the line! (5)
28 Cricketer taking a look round for some sign of victory (5)
29 Home with garlands of stone, possibly? (7)
30 At no time is it possibly even right! (5)
31 A bit of a rotter, the beast! (3)

DOWN

2 Not usually an artist to depend on (6)
3 Sportsman bent on striking gold (6)
4 A spotty little girl (3)
5 He has more than the air of a landowner (5)
6 Abraded in a fight with somebody (7)
7 Rain hard when you meet up (4)
8 On the road, there's many a traffic light (6)
12 She composes a lied (5)
13 A snake to dread? (5)
14 Quit the French way (5)
15 Light carried by a sad singer (5)
16 Various means of identification (5)
18 Cut a woman in (5)
19 Slow-growing plant? (7)
21 Possible result of elbow grease (6)
22 Stress it's an accident I'd avoid (6)
23 Think very highly of Paul (6)
25 It's in the upper third of Scotland (5)
26 Scottish wind - instrument? (4)
28 A game played with fifty ducks (3)

EASY PUZZLE

ACROSS

1 Religious house (5)
6 Bird of prey (5)
9 Bounding (7)
10 Band of witches (5)
11 Informs (5)
12 Paddled (5)
13 Colonist (7)
15 Permit (3)
17 Responsibility (4)
18 Determine (6)
19 Uncanny (5)
20 Goal-getter (6)
22 Incite (4)
24 Head of corn (3)
25 Puts money into (7)
26 Foul-smelling creature (5)
27 Got to one's feet (5)
28 Suspicious (5)
29 Tropical fever (7)
30 Narrow lane (5)
31 Cutting edge (5)

DOWN

2 Snapped (6)
3 Votes into office (6)
4 Japanese currency (3)
5 Animal trail (5)
6 Went in (7)
7 Old (4)
8 Lounged (6)
12 Allude (5)
13 Plunge into water (5)
14 Teacher (5)
15 Body member (5)
16 Tries out (5)
18 Intoxicated (6)
19 Tuesday, for example (7)
21 Syndicate (6)
22 Signal receiver (6)
23 Engraved with acid (6)
25 Relation by marriage (5)
26 Not all (4)
28 Small lie (3)

Yesterday's Cryptic Solution

ACROSS.—3. Chess. 8. Get up. 10. Tunic. 11. Yap. 12. Fleas. 13. Van-ill-a. 15. Taper. 18. Too. 18. Ten-ure. 21. Betters. 22. Tear. 23. Mind. 24. Capstan. 26. Pro tem. 28. Tor. 31. Saner. 32. Bayonet. 34. Le-M-on. 35. Out. 36. VI-lla(all). 37. Enter. 38. Slide.

DOWN.—1. Loyal. 2. Jubiter. 4. H-U-la. 5. States. 6. S-USA-N. 7. Finer. 9. Tan. 12. Floten-M. 14. Lot. 16. Put in. 17. Read-y. 19. Tristan. 20. Stops. 21. Bacon. 22. Maroons. 24. Cereal. 25. Toy. 27. Radio. 28. Te-LL-s. 30. Peter. 32. Bond. 33. Nut.

Yesterday's Easy Solution

ACROSS.—3. Sport. 8. [illegible] 10. Oiled. 11. Ess. 12. [illegible] Dahlias. 15. Lease. 18. Art. [illegible] Vessel. 21. Averted. 22. [illegible] Felt. 24. Contain. 26. Corset. [illegible] Urn. 31. Tuned. 32. Dreaded. [illegible] Dixie. 35. Lit. 36. Feign. [illegible] Sleep. 38. Egret.

DOWN.—1. Bread. 2. Entire. [illegible] 4. Pass. 5. Rolled. 6. Times. [illegible] Cease. 9. Ash. 12. Patriot. [illegible] Ire. 16. Aspen. 17. Elite. [illegible] Venture. 20. Tract. 21. [illegible] 23. Finally. 24. Ceding. [illegible] 27. Outer. 28. Sedge. 30. Deter. 32. Dime. 33. Die.

SOLUTIONS OF TODAY'S PUZZLE TOMORROW

Why Third World borrowers sometime hate the IMF

LONDON. — A bitter argument is coming to a head over the increasing debts of non-oil-producing developing countries.

Lenders say they cannot lend any more and borrowers claim they cannot borrow enough. In the middle is the International Monetary Fund (IMF), set up at the end of World War II to smooth out the vagaries of the international money market.

Last month delegates from borrowing countries met in Tanzania to voice their complaints about their treatment by the IMF, which has been accused by Tanzania's President Julius Nyerere of 'meddling' in the internal affairs of the countries to which it lends.

Tanzania itself broke off negotiations with the IMF at the end of last year, though it is now reported to be reaching agreement on a $200m. borrowing facility.

Other African countries that are, or have recently been, in the grip of the IMF include Egypt, the Sudan, Sierra Leone, Gabon, Kenya, Zambia and Madagascar.

Though the amounts involved are not always huge, other much bigger loans from Arab Gulf States or private banks in Europe and America are often dependent on agreement being reached with the IMF. And IMF terms often include measures, such as the cutting of food subsidies and increased unemployment, which run directly counter to the borrowing country's policies.

Jamaica, another country attending the conference, has recently been involved in widely publicized arguments with the IMF. When it failed to reach agreement with the fund, it made its own approach to private banks but got a dusty answer.

Like Tanzania, Jamaica believes the problem of mounting debts caused by oil price rises and galloping inflation cannot be cured by short-term measures to ease the balance of payments, but only by long-term investment aimed at self-sufficiency.

But the IMF, by its terms of reference, has a straightforward banker's approach which gives absolute priority to balancing the books.

There is a danger that private funding, which has up to now ridden on the back of IMF loans, will start to dry up. American bankers are increasingly worried by the continuing rise in the external debts of non-OPEC developing countries.

According to some analysts, these now owe American banks $57b. which is more than the total equity and loan-loss reserves of the banks concerned.

As a result, the banks are obliged to consider measures, such as debt rescheduling, designed to prevent governments defaulting on existing obligations. But they are unwilling to countenance the further, long-term commitments sought by the countries concerned to break the vicious circle.

As one banker's newsletter recently put it: "The financing of the new imbalances — and the refinancing of existing obligations as they mature — implies considerable risk to the world's financial system."

But, as the Brandt Commission's recent report emphasized, there are also risks in not giving countries like Jamaica and Tanzania the help they need to work out their economic salvation.

(London Observer Service)

THE LUFTHANSA office in Haifa, established a year ago, has proved successful beyond expectations, manager Uri Schnabel reports. The sale of tickets has trebled, with businessmen and professionals the main groups of passengers.

To mark the 50th anniversary of Magen David Adom in Israel the Israel Coins and Medals Corporation has issued a special Jubilee Medal. Designed by Jerusalem artist Nathan Karp, the bronze medal bears on its obverse (right) the Magen David Adom symbol. The reverse has the Hebrew and English legend: "Whoever saves one life has saved an entire world."

Bank Leumi prints 'guide' for foreign investor, trader

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — A 64-page businessman's "guide" to Israel (in English) — which manages to answer all the "$64 questions" about trade and investment here — was published yesterday. It was prepared by National Consultants.

Although the book does use several pages to quietly promote Bank Leumi and its activities, its great bulk deals with the economic situation in Israel. It is profusely illustrated with charts and tables.

The emphasis is on showing the foreigner, who is interested in investing in Israel, either on the stock exchange, or in a business, the ins and outs of the local scene.

For example, dividends and interest received by foreign investors in securities quoted on the stock exchange (some $44m. was so invested in 1979) pay only a 25 per cent tax while British subjects pay only 15 per cent. Israelis pay up to 35 per cent.

"In cases where no double taxation agreement exists and the foreign investor is liable in his country of residence at the same or a higher rate of tax than in Israel, he may be exempt from Israeli taxes," it is stated. "Both foreign and local investors in securities traded on the Tel Aviv Stock Exchange are exempt from Capital Gains Tax."

The guide surveys other fields of endeavour which might interest the non-Israeli, such as exports, imports and tourism.

A special chapter is devoted to Israel's special relationship with the European Economic Community, and another one to the (American) General System of Preferences, under which Israeli export goods enter the U.S. with specific advantages.

Considerable space is given over to government help for foreign investments here, and the ease with which such investments and the profits from them, can be repatriated.

One chapter is devoted to the banking system in Israel, and comparative figures are given of the three major banking groups (Leumi, Hapoalim and Discount), as well as the role and function of all other financial institutions.

Boycott of Fashion Week threatened

Textile Industry presses for better credit terms for its exports

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The leaders of the textile industry at the end of last week decided to boycott the forthcoming Fashion Week, scheduled for August in Jerusalem, unless the authorities rescind recent decisions regarding credit, which the manufacturers say worsen the financing of exports.

The leaders, speaking for their division of the Manufacturers Association, also called for an emergency meeting of the 60-member executive committee of the association. They want the committee to discuss the situation and its implications for other export industries.

Speakers at the meeting stressed that even under present financing conditions the industry is fighting desperately to maintain the current level of exports, due to bad economic conditions abroad.

Some manufacturers claimed that standing orders have already been cancelled since foreign buyers cannot sell the Israeli goods at present prices.

The Manufacturers Association spokesman points out that the textile market is getting more and more competitive, and that local financing conditions must be on a par with those of other countries.

Keeping wholesalers in line

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The Association of Fashion Manufacturers yesterday announced it was preparing a "black list" of wholesalers who are guilty of a series of bad business practices.

These practices include selling defective goods, not meeting delivery dates, shipping goods which were not ordered, and selling to retail systems identical goods despite promises that each system would have exclusive rights to one line of merchandise.

The association said that these wholesalers would be "warned" to desist from these practices, which reflect on the manufacturers. If the warning failed to bring the wholesalers to heel, they would be "boycotted" by association members.

The association pointed out that this is not the first time that it has prepared such a "black list," and that earlier efforts to improve business practices had met with considerable success.

CLASSIFIEDS

DEADLINES Jerusalem: Weekdays: 10 a.m. of day prior to publication. For Friday's paper: 5 p.m. on Wednesday. For Sunday's paper: 3 p.m. on Thursday. Tel Aviv and Haifa: Weekdays and Friday: 12 noon two days prior to publication. For Sunday's paper: 12 noon Thursday.

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FOREIGN CURRENCY

11.7.80

Friday's foreign exchange rates against the Israel pound, for U.S. dollar transactions under $3000, and transactions in other currencies under the equivalent of $500.

	Selling	Buying
U.S.$	50.8950	50.5250
DM	29.1946	28.9623
Swiss Fr.	31.8491	31.9823
Sterling	120.8654	119.9867
French Fr.	12.5860	12.4945
Austrian Sch.	4.1132	4.0833
Dutch Fl.	26.6815	26.4875
Swedish Kr.	12.3441	12.2544
Danish Kr.	9.4236	9.3551
Norwegian Kr.	10.5898	10.5129
Finnish	14.1227	14.0201
Canadian $	44.3490	44.0266
Rand	66.5706	66.0867
Australian $	59.1527	58.7224
Belgian Fr. (10)	18.2093	18.0769
Yen (100)	23.3919	23.2218
Italian Lire (100)	61.3266	60.8808

INTERBANK LONDON SPOT RATES:

U.S.$	2.3738/48	per £
Swiss Fr.	1.5975/85	per $
Belgium Fr.	27.9600/9730	per $
Swedish Kr.	4.1225/35	per $
French Fr.	4.0450/70	per $
Danish Kr.	5.4000/15	per $
Dutch Fl.	1.9072/82	per $
DM	1.7427/35	per $
Italian Lire	830.15/45	per $
Norwegian Kr.	4.8055/65	per $
Yen	217.60/70	per $
Gold Price:	$853.00/865.00	

FORWARD RATES:

	1 mon.	3 mos.	6 mos.
£/$	2.3804/819	2.3871/386	2.3196/211
DM/$	1.7419/432	1.7418/431	1.7354/372
Sw.Fr./$	1.5905/925	1.5805/825	1.5626/565

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UNITED MIZRAHI BANK LTD

Foreign Currency Rates for 13.7.80

Country	Currency		Buying (Cheques and transactions)	Selling (Cheques and transactions)	Buying (Banknotes)	Selling (Banknotes)
U.S.A.	Dollar	1	50.5203	50.8997	50.2000	51.2200
Great Britain	Sterling	1	119.9250	120.8257	119.1600	121.6900
Germany	Mark	1	28.9846	29.2023	28.8000	29.39000
France	Franc	1	12.4849	12.5786	12.3800	12.6800
Holland	Gulden	1	26.4920	26.6909	26.3200	26.8600
Switzerland	Franc	1	31.6048	31.8421	31.4000	32.0400
Sweden	Krona	1	12.2562	12.3483	12.0200	12.4300
Norway	Krone	1	10.5086	10.5875	10.3100	10.6500
Denmark	Krone	1	9.3512	9.4215	9.1700	9.4800
Finland	Mark	1	14.0217	14.1270	13.7500	14.2200
Canada	Dollar	1	44.0132	44.3438	43.3800	44.6200
Australia	Dollar	1	58.7045	59.1454	56.2300	60.0500
South Africa	Rand	1	66.0805	66.5768	52.0700	69.8100
Belgium	Franc	10	18.0752	18.2109	17.6000	18.3300
Austria	Schilling	10	40.8162	41.1227	40.5600	41.3800
Italy	Lire	1000	60.8898	61.3471	58.7900	61.7300
Japan	Yen	1000	232.2772	234.0216	230.8000	235.4900

"Dollar Paz" and "Euro Paz" Buying and Selling rates for 13.7.80

		Buying	Selling
"Dollar Paz"	1 unit	187.9946	189.4064
"Euro Paz"	1 unit	260.0158	261.9715

Interest rates (%) for non-resident deposit accounts (Patach) and Israeli resident deposit accounts (Patam) for 14.7.80

		Patach — period — no. of months: 3	6	12	Patam: 3	6	12
U.S.A.	Dollar	9⅛	9⅜	9⅝	7¼	7⅞	8¼
Great Britain	Sterling	15⅜	14¼	13¼	14⅛	13⅛	12¼
Germany	Mark	9¼	8⅞	8¼	7⅞	7⅜	7¼
Holland	Gulden	9⅝	9⅞	9⅝	8¾	9	8⅝
Canada	Dollar	10⅞	10½	10½	9½	9¼	9¼
France	Franc	11⅝	11⅝	11⅜	10½	10⅞	11
Switzerland	Franc	5	5	4⅞	3¾	3⅝	3⅝
"Dollar Paz"		9	9	8¾	7½	7⅝	7⅝
"Euro Paz"		11¼	10⅞	10¼	10	9½	9⅝

UNITED MIZRAHI BANK LTD

Hapoalim sparks market rise

Market report

By JOSEPH MORGENSTERN
Post Finance Reporter

TEL AVIV. — A massive demand for Bank Hapoalim securities triggered a major rally yesterday, which encompassed all areas of equity trading. The ordinary Hapoalim shares zipped ahead smartly by 37 points and thus reflected a one-session rise of 4.2 per cent. The rises visible among the various Hapoalim securities ranged as high as 5 per cent, while the monetary value of the trading in these securities was in the order of IS26.9m., nearly half of the total share turnover.

Index-linked bonds, by contrast, showed up with marked weakness, with losses of 1-2 per cent appearing throughout the list.

In the commercial banking sector the shares of FIBI did not trade, as the bank announced unaudited semi-annual results. These showed a sharply increased profit picture.

Mortgage bank issues came through with moderate upside gains.

Insurance stocks were a good feature as nearly all of the securities in the group were sharply higher. Leading the pack were the Yardenia shares. The IL1 shares gained 6.8 per cent while the IL5 shares were nearly as good, with a rise of 6.7 per cent. Zur was ahead by 5.4 per cent while Ararat IL1 reached the 300 mark after a 15-point gain.

Land development and real estate securities shared in the rising market. Azorim was ahead by 5.7 per cent. Caesarea was "buyers only" and was adjusted upwards by 5 per cent. Rassco pref. gained 5.3 per cent, while the ordinary shares spurted ahead by 6.4 per cent.

Industrials were among the market leaders. Urdan IL5, Elbit IL5, Rim IL4 and Fertilizers all were ahead by more than 9 per cent. Dubek pref. (R) jumped by 8.2 per cent, as the bearer shares were improved by more than 6 per cent.

Investment company equities fully participated in the quickly moving market. Reports of a possible major oil find in the Negev sparked demand for oil and oil-related shares. Oil Exploration of Paz was 9.1 per cent higher, while Naphta was "buyers only."

Tel Aviv Stock Exchange

	Closing price	Volume IL1,000	Change
Comm Banks & Bankholding			
IDB prf	3650.0	9.4	n.c.
IDB	822.0	1,692.6	+2.0
IDB B	822.0	162.6	+2.0
IDB prf A	960.0	57.2	n.c.
IDB op 4	1510.0	35.8	n.c.
IDB op 5	893.0	131.3	n.c.
IDB op 6	717.0	152.1	n.c.
IDB op 7	735.0	33.8	n.c.
Union	686.0	865.6	n.c.
Union op	1525.0	40.0	+26.0
Union op 3	730.0	36.0	+5.0
Union op 4	370.0	136.3	n.c.
Union 18%sc	380.0	56.2	+3.0
Union 18%sc5	227.0	193.0	n.c.
Discount	1012.0	15.1	+5.0
Discount A	1012.0	100.0	+5.0
Discount A5%sc	384.0	80.9	+1.0
Mizrahi r	571.0	1,772.0	—9.0
Mizrahi b	—	—	—
Mizr op 1	575.0	412.8	—8.0
Mizr op 2	2165.0	5.0	—30.0
Mizr op 3	910.0	134.4	—13.0
Mizr 15%sc2	—	—	—
Mizr 20%sc4	690.0	120.0	—12.0
Mizr 18%sc5	587.0	57.0	—10.0
Mizr 18%sc6	485.0	145.0	—7.0
Mizr sc7	411.0	650.2	—4.0
Hapoalim r	890.0	30,215.8	+37.0
Hapoalim b	890.0	2,696.1	+37.0
Hap op 2	1228.0	—	+56.0
Hap op 3	—	—	—
Hap op 4	1825.0	14.8	n.c.
Hap op 5	1440.0	75.4	+25.0
Hap op 7	885.0	325.4	n.c.
Hap op 9	1260.0	102.6	+30.0
Hap 10%sc1	—	—	—
Hap 18%sc6	579.0	194.8	+10.0
Hap 18%sc8	417.0	113.7	+20.0
General	898.0	244.8	—
General 18%sc4	382.0	84.2	—
Leumi	747.0	3,214.2	+3.0
Leumi n-d	744.0	420.4	+3.0
Leumi op 2	1475.0	116.0	+15.0
Leumi op 4	700.0	379.6	+6.0
Leumi op 5	595.0	199.3	—
Leumi 18%sc6	708.0	82.7	+8.0
Leumi 18%sc7	610.0	60.0	+8.0
Leumi 18%sc8	380.0	91.1	+2.0
OHH r	1123.0	18.7	+5.0
Internat 6%sc1	—	—	—
FIBI	—	—	—
Mortgage Banks			
Gen Mtg r	x584.0	210.6	n.c.
GMg b	x588.0	13.6	n.c.
GenMg op 114	x1820.0	8.5	n.c.
GenMg op 117	x467.0	254.3	—3.0
GenMg 18%db116	x264.0	206.5	n.c.
Carmel r	490.0	180.8	+10.0
Carmel b	505.0	35.0	—5.0
Car opA	211.0	299.0	+10.0
Car 18%db10	138.0	320.7	+6.5
Mortg&Inv	498.0	37.0	+30.0
Dev&Mtg r	456.0	188.6	+21.0
Dev&Mg b	397.0	168.2	n.c.
Dev&Mg op 88	747.0	11.0	+12.0
Dev&Mg op 95	808.0	93.1	+8.0
Dev&Mg 18%db87	330.0	8.0	n.c.
Dev&Mg 18%db94	209.0	16.3	n.c.
HousMg r	608.0	1,287.5	+20.0
HousMg b	626.0	290.4	+20.0
HousMg op 1	1095.0	156.1	+80.0
HousMg op 2	901.0	26.2	+30.0
Tefahot prf r	d810.0	83.0	+20.0
Tefahot prf b	d800.0	24.0	+10.0
Tefahot r	d796.0	275.4	+10.0
Tefahot b	d796.0	234.6	+12.0
Merav	575.0	74.8	n.c.
Merav op 1	676.0	34.7	n.c.
Specialized Financials			
Shilton r	136.0	3,521.7	+5.0
Shilton b	155.5	118.2	—2.5
Shilton opA	173.0	b.o.	+10.0
Shilton opB	278.0	112.3	+7.0
Shilton 18%db1	135.0	32.0	+4.0
Shilton 18%db2	146.5	56.8	+3.0
OtzLatasiya r	500.0	332.3	n.c.
OtzLatasiya b	500.0	97.0	n.c.
Ampal	760.0	1.8	—26.0
AgricultureA	d259.0	193.0	+13.0
IndDev prf	d270.0	50.2	n.c.
Insurance			
Aryeh	850.0	18.0	+23.0
Aryeh op	1480.0	.5	n.c.
Aryeh sc5	291.0	40.9	n.c.
Ararat IL1	300.0	286.0	+15.0
Ararat IL5	193.0	422.0	n.c.
Hassneh r	690.0	743.7	+22.0
Hassneh b	688.0	139.0	+10.0
Hassneh op	529.0	144.1	+28.0
Phoenix IL1	564.0	36.7	+10.0
Phoenix IL5	554.0	17.8	+10.0
Yardenia IL1	283.0	122.2	+18.0
Yardenia IL5	224.0	163.6	+14.0
Sahar r	469.0	61.5	n.c.
Sahar b	490.0	5.0	+2.0
Sahar op	201.0	89.0	+4.0
Sahar 18%db	113.0	408.2	+7.0
Securitas	760.0	200.1	+5.0
Secur op	592.0	239.5	+20.0
Zur r	dx395.0	20.9	+8.0
Zur b	dx390.0	23.5	+20.0
Comm.Service &Utilities			
Motor House	—	—	—
Delek r	459.0	1,856.2	+20.0
Delek b	475.0	131.1	+25.0
Delek op 1	2328.0	9.8	+123.0
Delek20%db2	756.0	96.7	+50.0
ColdStorageIL1	—	—	—
ColdStorIL10	x550.0	654.0	+5.0
ColdStor opA	400.0	126.0	+30.0
Israel Elec	668.0	82.0	+23.0
LighterageIL1	2560.0	10.7	+100.0
LighterageIL5	934.0	7.9	—40.0
LighterageIL5 op2	810.0	3.1	+20.0
LighterageIL5 db	317.0	106.1	+12.0
RapaccIL1	—	—	—
RapaccIL5	—	—	—
Land,Building, Devel,Citrus			
Azorim	410.0	168.2	+22.0
Azor opA	481.0	156.5	+22.0
Azor20%db1	192.0	833.6	+13.0
Africa-Isr1	1180.0	15.5	n.c.
Africa-Isr10	855.0	3.4	n.c.
ILDC r	404.0	485.7	+8.0
ILDC b	416.0	160.0	+13.0
ILDCnodiv	—	—	—
ILCD opA	1230.0	10.3	+35.0
ILDC opB	542.0	160.0	n.c.
ILDC20%db3	356.0	80.0	+11.0
ILDC20%db4	403.0	54.5	+11.0
SolelBoneh prFA	2415.0	7.0	—13.0
SolelBonehprFc	2350.0	7.4	n.c.
Prop&Bldg	541.0	487.0	+6.0
PropBld opA	1130.0	8.0	n.c.
PropBld opB	570.0	76.7	+22.0
PropBld 15%db4	701.0	22.0	+1.0
PropBld op18%db5	542.0	20.0	+2.0
BaysideIL1	530.0	183.6	+5.0
BaysideIL5	533.0	120.5	+3.0
Ispro	295.0	350.8	+9.0
Ispro 50%-d	286.0	32.5	+18.0
Ispro op1	226.0	289.0	+12.0
Isras	1440.0	6.0	+30.0
Mehadrin	1630.0	6.4	n.c.
ICP	dx2800.0	2.0	+94.0
Neot Aviv	645.0	155.0	+11.0
PriOr	930.0	11.5	+26.0
Rassco PrF	278.0	190.9	+14.0
Rassco	282.0	211.6	+17.0

	Closing price	Volume IL1,000	Change
Industrial			
UrdanIL1 IL1	377.0	133.8	+30.0
Urdan IL5	388.0	104.3	+33.0
Urdan op	306.0	727.8	+43.0
Elbit IL1	700.0	—	+33.0
Elbit IL5	609.0	202.9	+55.0
Alliance	x2414.0	b.o.	+115.0
Elco 1	941.0	5.9	+1.0
Elco IL2.5 r	476.0	72.5	+8.0
Elco IL2.5 b	476.0	59.5	+8.0
Elco opA	396.0	111.2	+22.0
Elco20%db1	196.5	86.8	+6.0
Electra IL1	730.0	5.0	+37.0
Electra IL5	453.0	72.2	+16.0
Electra op2	621.0	15.8	+5.0
Electra18%db	440.0	.7	n.c.
Electra18%db2	287.0	37.3	+14.0
Elron IL1	1900.0	7.3	+150.0
Elron IL2	1301.0	57.9	+45.0
Elron opA	781.0	47.2	+28.0
Argaman prf r	348.0	108.9	+28.0
Argaman prf b	335.0	b.o.	+16.0
Argaman r	313.0	237.0	+15.0
Argaman b	324.0	389.5	+26.0
AtaB	173.0	b.o.	+8.0
AtaC	144.0	2,418.4	+9.5
Ata opA	120.5	2,189.3	+19.0
Ata op3	207.0	755.4	+14.0
Ata20%deb2	149.0	153.8	+3.0
Dubek r	d1052.0	60.1	+80.0
Dubek b	d1042.0	11.0	+60.0
Fertilizers	309.0	815.5	+26.0
Cables r	156.5	b.o.	+7.5
Cables b	161.5	b.o.	+7.5
HaifaChem	430.0	90.9	+10.0
HaifaChm op2	600.0	15.3	+5.0
HaifaChm20%db1	320.0	18.7	n.c.
Teva r	1027.0	192.8	+67.0
Teva b	1090.0	8.2	+60.0
Teva op	1025.0	9.4	+20.0
Teva db	220.0	b.o.	+10.0
Lodzia IL1	d1340.0	3.4	+70.0
Lodzia IL4	d460.0	394.8	+16.0
Lodzia op2	157.5	363.3	+13.0
Molett	309.0	b.o.	+15.0
Moller	840.0	86.0	+5.0
Phoenicia IL1	—	—	—
DeadSea	885.0	154.1	+15.0
AmIsrPaper	1070.0	57.3	+50.0
AmIsr opA	1		
AmIsr20%db1	820.0	109.4	n.c.
Assis	491.0	117.7	+20.0
Assis20%db1	477.0	22.8	+22.0
Petrochem	x356.0	22.0	+13.0
Ptrchm opA	356.0	210.2	+15.0
Ptrchm20%db1	566.0	279.0	+58.0
Nechushtan r	266.0	127.4	+17.0
Nechushtan b	1020.0	7.0	+60.0
Elite	736.0	106.4	+19.0
Elite op3	583.0	56.3	+17.0
Elite20%cnv sb2	303.0	65.1	+11.0
Arad	531.0	13.3	+30.0
Polgat IL1r	1005.0	11.4	+20.0
Polgat IL5r	825.0	27.5	+25.0
Polgat op	810.0	34.0	+20.0
Polygon	573.0	b.o.	+27.0
Rim IL1	825.0	24.5	n.c.
Rim IL4	366.0	330.2	+31.0
Shemen b	640.0	27.9	+10.0
Taal r	361.0	618.1	+16.0
Taal b	385.0	91.9	+15.0
Taal op	264.0	241.0	+20.0
Frutarom	289.0	924.2	+14.0
Invest&Holding Companies			
Elgar r	x830.0	10.7	+2.0
Elgar b	x819.0	b.o.	+39.0
Ellern r	1090.0	8.6	+30.0
Ellern b	1090.0	6.2	+30.0
Amissar	385.0	250.2	+30.0
Amissar op	413.0	133.0	+28.0
CntrlTrade	1910.0	5.0	n.c.
InvofPaz r	977.0	26.0	+25.0
InvofPaz b	977.0	12.0	+25.0
WolfsonIL1	900.0	—	+40.0
WolfsonIL10 r	538.0	42.7	+12.0
WolfsonIL10 b	530.0	87.7	—12.0
Ampa	702.0	12.4	+12.0
DscInv r	455.0	366.1	+5.0
DscInv b	455.0	102.7	+5.0
DscInv opA	906.0	40.0	+1.0
DscInv opB	—	—	—
DscInv10%db72	—	—	—
DscInv18%db130	375.0	156.0	+12.0
DscInv18%db135	415.0	—	—
Hap'ImInv r	219.0	31.1	+5.0
HapInv b	dx640.0	1,256.4	+20.0
HapInv op1	dx655.0	388.2	+20.0
LeumiInv	890.0	18.0	+21.0
JrdnExplo	565.0	531.4	+5.0
JrdnExplo op	399.0	237.2	+15.0
JrdnExplo op2	2400.0	.5	n.c.
JrdnExplo op3	230.0	34.3	+12.0
MizrahiInv r	126.0	171.1	+6.0
MizrahiInv b	1070.0	5.0	+10.0
Mizrahi18%db48	1070.0	5.0	+10.0
Hassuta	371.0	40.4	n.c.
Hassuta opA	483.0	192.0	+33.0
Hassuta20%db1	167.0	462.1	+9.0
ExprtInv r	760.0	8.9	n.c.
ExprtInv b	763.0	3.9	—2.0
KoorInd	3280.0	9.0	+150.0
ClalRlEst	380.0	600.2	+8.0
ClalREs opA	827.0	66.4	+20.0
ClalREs opB	424.0	57.3	n.c.
ClalREs20%db1	875.0	131.9	n.c.
ClalInd sc op	z569.0	6,190.1	+29.0
ClalInd20%db5	z545.0	17.0	+12.0
Landeco	213.0	323.0	+5.0
OzInv	420.0	175.7	+18.0
OzInv10%db	401.0	19.5	n.c.
PamaInv	405.0	453.0	+15.0
PirylonInv	420.0	3,261.3	+21.0
Fuel&Explo.			
OilExploPaz	479.0	1,442.3	+40.0
Naphtha	1590.0	b.o.	+75.0
Lapidot r	—	—	—
Lapidot b	—	—	—
SharesTradedIn ForeignCurrency			
Adanim	1503.0	3.0	—79.0
Agric prfC	d650.0	4.6	n.c.
IndDevprfC	d1700.0	—	+30.0
IndDevCC	d1010.0	—	—
IndDevCC1	d970.0	—	—
IndDevD	d974.0	—	—
TouristInd	d857.0	s.o.	—45.0
UnicoA r	379.0	29.1	+18.0
UnicoA b	398.0	30.0	+27.0
Gazit	142.0	—	—

Most active shares

Hapoalim	890	30215.8	+37.0
Leumi	747	3214.2	+3.0
Hapoalim B	890	2696.1	+37.0
Shares traded:	IL562.3m.		
Convertibles:	IL18.5m.		
Bonds	IL111.8m.		

Abbreviations:

s.o.	sellers only	n.c.	no change
b.o.	buyers only	r	registered
d	without dividend	b	bearer
c	without coupon	pref.	preferred
x	without bonus	op	option
z	without rights	conv.	convertible
s.c.	subordinated capital notes		

These stock prices are unofficial.

New York Stock Exchange

Closing prices July 11

Dow Jones Industrial Average
891.12 up, 5.21
Volume: 38,409,500

	Price	Change
Allied Chemical	49⅞	+⅝
Asa Ltd.	53⅞	+¼
Avco	22⅞	+¼
Boeing	37⅝	—
Burroughs	63½	—1⅞
Bell & Howell	24¼	+½
Bally Manufacturing	27¼	+¼
Bausch and Lomb	44⅝	+⅞
Control Data	—	—
Curtiss Wright	23⅝	+⅛
Dow Chemical	32⅛	+¼
Eastman Kodak	56⅜	+⅛
Ford Motor	26⅝	—¼
General Dynamics	69½	—⅛
Gulf & Western	16⅜	+⅛
Holiday Inns	22⅝	+⅝
Honeywell	84⅞	+⅜
Hilton Hotels	32½	—⅛
IBM	62⅞	+1¼
Lockheed	27⅞	+⅝
Litton Ind.	50⅞	—
LTV	11	+⅜
McDonnell Douglas	29⅞	—½
Merrill Lynch	25⅞	+⅝
MGM	—	—
Motorola	53⅝	—
NCR	63⅞	+2½
Natomas	52⅝	+1¼
National Semiconductor	27½	+1⅛
Occidental Petroleum	27¼	+⅛
Penn Central	22⅛	+⅝
Pan American Airways	5¼	—
Polaroid	24⅛	+⅛
RCA	23⅛	—⅝
Revlon	48⅝	+⅞
Raytheon	78¼	+1
Sears Roebuck	17⅛	—
Sperry Rand	51⅝	+⅛
syntex	40	—
American Tel & Tel	52⅞	—
Telex	3¼	+¼
Teledyne	41⅞	+4⅛
Tyco Laboratories	36⅞	—⅝
UAL	18⅝	+⅛
Union Carbide	43⅝	—
Western Union	24¼	—
Westinghouse Electric	24⅞	—⅛
U.S. Steel	20⅞	+⅛
Xerox	57	+⅝
Exxon	68¼	+1¼
Zenith Radio	11⅛	+⅝
American Stock Exchange		
Amer Isr Paper Mills	2⅛	—⅛
Etz Lavud	4½	+⅛
Houston Oil and Minerals	30⅞	+⅛
OTC List		
Elscint	—	—
IDB Ordinary	2⅞	3¼
IDB Pfd.	14	14⅜
SCI-TEX	12¼	12⅝

This selected list courtesy of
ISRAEL DISCOUNT BANK
Tel Aviv
Tel: 8 a.m.—12.30 p.m. — 627542
5 p.m.—7 p.m. — 251936

Representative bond prices

	Price	Change
6.5% Defence loan		
70 (Ayin)	—	—
75 (Ayin Heh)	—	—
81 (Peh Aleph)	1925	—1.0
90 (Tzadi)	1820.0	n.c.
4% Gov't development		
Group 1. Yield:	—0.77	
3001	1744.0	—1.0
3007	1609.0	n.c.
Group 5. Yield:	—0.59	
3020	1210	n.c.
3025	1179.0	n.c.
Defence loan 69.		
34 (Lamed Dalet)	1189.0	—36.0
210 (Reish Yod)	1224.0	—
4% Gov't (90% C-o-L)		
Group 22. Yield:	+0.55	
3101	893.1	—3.6
3106	780.7	—3.3
Group 24. Yield:	+0.77	
3110	739.0	—4.1
3115	698.5	—4.0
4% Gov't (80% C-o-L)		
Group 42. Yield:	+0.92	
3210	576.0	—5.1
3206	546.0	—5.1
6% Gov't (80% C-o-L)		
Group 52. Yield:	+0.80	
3501	514.0	—8.2
3504	450.8	—7.3
7% Gov't (80% C-o-L)		
Group 62. Yield:	+1.00	
3522	429.1	—4.2
3526	398.3	—4.1
Group 66. Yield:	+1.05	
3534	352.9	+.1
3541	320.9	+.1
Group 68. Yield:	+1.18	
3546	295.0	—2.1
3551	279.2	+2.0
Group 70. Yield:	+1.20	
3554	256.5	—2.5
3557	244.9	—2.3
Gov't dble-optn linked		
2001	402.8	—4.0
2015	343.5	—3.4
2033	254.5	—6.8
Dollar denom bonds		
Hollis 15	96.9	—
Hollis 20	92.0	—2.7
Bonds 100% linked to foreign currency		
5.5% Gov't 6026	254.0	+7.5
6% Isr. Electric Corp. B	1520.0	n.c.
5% Dead Sea Works	1445.0	n.c.
Bonds 7½% linked to foreign currency		
6003	311.0	+9.0

Bank of Israel exchange rates

Currency	
U.S. dollar	50.6100
British sterling	120.1100
German mark	29.1306
French franc	12.5483
Dutch guilder	26.6368
Swiss franc	31.8202
Swedish krone	12.3004
Norwegian krone	10.5398
Danish krone	9.4058
Finnish mark	14.0603
Canadian dollar	44.1851
Australian dollar	58.7835
South African rand	66.1220
Belgian franc (10)	18.1487
Austrian schilling (10)	41.0296
Italian lire (1,000)	6.1061
Japanese yen (100)	23.2423
Jordanian dinar	171.08
Lebanese lira	14.78

Ari Rath
Editor and
Managing Director

THE JERUSALEM POST

Erwin Frenkel
Editor

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The court steps in

DAYLIGHT SAVING TIME, long billed as an outstanding energy saver, is also, and in any case, mandatory — and the minister of the interior has no choice but to introduce it, as quickly as possible. That was the 2 to 1 decision of the High Court yesterday, basing itself on a 40-year-old ordinance.

In so deciding, the court waved aside Dr. Yosef Burg's laborious defence of his persistent refusal to put the clock forward one hour during summertime (more precisely between April 1 and October 30) — the supposed inconvenience to praying Jews, the alleged meagreness of the saving in fuel, and so on.

As far as the law is concerned, it turns out, the minister has no discretion in this issue, no matter what his party or the Chief Rabbinate Council happen to think. It is strange that the learned Dr. Burg should only have been apprised of the fact as the result of a petition submitted by an engineer whose mind is rather set on saving energy.

The interior minister does have a discretion, which he is free to exercise in between stints as autonomy negotiator, to decide on the duration of what is popularly known as summertime. Also, he is enjoined to introduce the change not right away but "within a reasonable period of time."

These are both logical enough allowances, but they could easily be used by a deviously recalcitrant minister as ready-made escape hatches. Indeed as soon as the court handed down its decision the minister's spokesman leaped to announce that, of course, the airlines, for example, would need ample advance notice before they could be expected to switch their timetables.

But that was not all. A quick mind in the interior ministry also discovered sometime yesterday that the 1940 ordinance could be amended out of existence. If pushed through fast enough, it could relieve the minister of his responsibility already this summer — which was the whole idea.

Arguably, such a course of action, if successfully attempted, would be perfectly legal. It would, however, if meant to be applied this summer, *also constitute a flagrant example of* retroactive legislation, which is something Israel has (with a few notorious exceptions) long tried to avoid.

Good news at El Al

WHEN BAD NEWS is the rule, a favourable event is doubly welcome. The initiative taken by El Al's employees — for years one of the unruliest groups of workers in the country — to waive demands that would hobble the airline's rehabilitation, is a commendable innovation in labour relations and worker initiative.

El Al's new management, under the leadership of Avraham Shavit, has spent many months persuading the airline's employees that only concessions and cooperation on their part can help the company get out of the red.

The employees responded to these appeals by accepting significant wage cuts and a reduction of staff that has no precedent in Israel.

Now they have gone a step further. They have dropped demands that prevented El Al from chartering modern, fuel-saving aircraft, and have decided to set up a committee to help supervise the airline's performance.

This voluntary assumption of a self-policing role in cooperation with management is probably the most significant innovation in Israeli labour relations for many years. If it works out it *may well set an example for worker participation in management* in other enterprises, including governmental services.

In addition the employees' decision to set up a roof body for the eight different internal works committees may also put an end to the ratcheting up of wage demands by the different committees that has afflicted the airline in the past.

These welcome developments deserve more than a pat on the back for management and workers. They indicate a serious effort to keep the national airline in the air. To complement these efforts the government should now come out with a clear and unequivocal policy towards El Al. Above all, it should make plain that it considers maintenance of a national airline in the long-run national interest, even if temporary difficulties make *the company unprofitable in the short run.*

If that is indeed the government's basic position, it must carefully balance the advantages of competition in our skies against the inroads made on El Al's share of the market by air services that cannot be a viable substitute for a national airline.

There is no need to go back to the past and assure El Al a virtual monopoly. But the modalities of competition against it should also be brought under effective control.

POSTSCRIPTS

MARILYN MONROE has been immortalized in print, pictures and paint. Now a British artist wants to make her a 70-metre high fertility symbol.

Kenneth Evans-Loude, 33, is planning to etch a 70-metre chalk silhouette of the "blonde bombshell" on a hillside in the sleepy southern England village of Cerne Abbas.

There's just one problem: the local residents, the British Arts Council and Oxford scholars are trying to stop it.

They believe Evans-Loude is tampering with Britain's ancient tradition of hill-carving — a pagan practice of digging primitive drawings of fertility symbols into the scores of chalk hills along England's southern coast.

Most of the carvings show rather innocuous subjects like horses and men. There are also some regiment badges drawn by off-duty British soldiers in training during World War I.

Nowhere is there anything like the proposed "White Marilyn."

"I fear the start of an uncontrollable trend," a columnist for "The Times" complained, "which could end with the entire cast of a Busby Berkeley musical dancing their way down the chalk ridge."

For his carving, the artist is using the celebrated picture of Monroe standing over a sidewalk grate, with her skirt blown above her famous legs by a draft.

"It's the one pose of Marilyn that everybody would know," Evans-Loude said.

For several years, the artist searched for a suitable site. Then a farmer in Cerne Abbas offered his chalky hillside.

And farmer Ian Cobbald's hill just happens to be situated directly opposite one of southern England's most famous pagan hill-carvings, the 53-metre tall Cerne Abbas giant, which experts believe was drawn 2,000 years ago in Roman times.

The British Art Council has refused to fund the £1,250 work, and the artist is seeking a private patron.

Local residents and Oxford scholars wanting to preserve the dignity of the giant and all British hill-carvings are now trying to block planning permission for the project.

ON TALKING TO THE RUSSIANS

While the U.S. tilts towards Arab positions on most sensitive issues, Israel should consider opening a dialogue with the Soviet Union, writes SHLOMO AVINERI.

SINCE 1977, U.S. policy in the Middle East has been aimed at a comprehensive solution, involving the Soviet Union in the peace process and ultimately leaning very heavily towards a Palestinian, rather than a Jordanian, settlement of the West Bank problem.

Immediately after becoming president, Jimmy Carter broke previous American policies by speaking about a "Palestinian homeland" and by sending his then secretary of State Cyrus Vance, to the area in order to reconvene a Geneva conference in which not *only the Soviet Union* but also the Palestinians would participate.

And on October 1, 1977, a joint U.S.-Soviet communique outlined the contours of a Middle East peace in which the legitimate rights of the Palestinians would be safeguarded.

This U.S. policy has been deflected from its main course by President Anwar Sadat's peace initiative; but anyone looking at where the U.S. is moving now cannot but be struck by the consistency of its basic trends.

On the PLO issue, the U.S. and its Western allies are proceeding under the assumption — spelt out in the Brookings Institution report and in National Security Adviser Zbigniew Brzezinski's strategy — that in order to assure Arab oil flow to the West, the Palestinian problem has to be solved in a direction leading to a PLO-based entity. The West's dependence on Saudi Arabia is not going to diminish in the near future, and this trend will only intensify.

Even opponents of the Begin government in Israel should not delude themselves that it is only the Likud's settlement policy on the West Bank that is responsible for the recent rift between Washington and Jerusalem: as former premier Yitzhak Rabin realized starkly during his visit to Carter in February 1977, Carter's policy was utterly unacceptable even to a Labour-led *Israeli position. What Begin's* settlements policy did was to help legitimize Carter's shift away from Israel in the eyes of Congress and American public opinion.

The Arab world — headed by Egypt, and financially led by Saudi Arabia — has become America's senior partner in the Middle East. Israel and its friends have to be reassured, assuaged, calmed. But the drift is clear.

PEACE with Egypt could be achieved with the passive acquiescence of the Soviet Union (this was the case with the two U.S.-inspired Sinai agreements). But any further move, especially peace with Syria (and indirectly with the Palestinians), will have to involve the Soviets, too. America alone can*not deliver it and has already acted* on this knowledge.

What should Israel do in such circumstances?

Under former secretary of State Henry Kissinger, the U.S. and Israel were able to work out, by *trial and error, a common agenda* for the implementation of peace in the area, based on three assumptions:

- It would be a step-by-step process, not a comprehensive solution;
- *It would prefer the Jordanian to* the Palestinian option;
- It would exclude the Soviet Union from active participation in the peace-making process.

The U.S. has now changed course on all three counts. Under the circumstances of Kissinger's policy, it was obvious that Israel should reject any Soviet overtures — and it did.

Our assumption was that given the firmness of Israeli-American understanding, there was no advan*tage for Israel in introducing the* Soviets to the process. Their influence could be only disruptive, and since it was the Soviet Union and not Israel that broke off relations, the Soviets should first re-establish diplomatic relations with Israel — the basic *politesse* required among nations — before Israel would be ready for a dialogue.

IT IS TIME to re-assess this policy. The U.S. is tilting heavily towards the Arabs on the issues most sensitive to Israel — the Palestinians, Jerusalem. The U.S. is, and will remain, the country closest to Israel — politically, ideologically, emotionally. But why not try to find out — through channels that exist and could be made available whenever required — whether we cannot be those who will initiate Soviet involvement in the peace *process?*

The U.S. is going to involve the Soviets anyway, why not take the initiative and try to find out whether there could be some political advantage to Israel from this as well?

Paradoxically, the Soviet Union appears to be much less beholden to the PLO than the West: the West is — via Saudi oil — dependent on the PLO; the Soviet Union has its main interests in Syria and Iraq, and those countries have shown in the past how cynically they can drop the PLO — or cool their relations with it — when necessary

We should also remember, that the drift towards involving the Soviets in the peace process could be undertaken by a Reagan administration just as much as it is *and will be undertaken by a second* Carter administration: Nixon's opening to China should clearly suggest to right-wingers and "cold warriors" that Republicans can be very flexible about what they call (when they are out of office) "the *Communist threat.*"

For all the unbridgeable gaps between Soviet and Israeli policies, it should be pointed out that despite Arab pressure, the Soviet Union never went back on its commitment to Resolution 242 and to its public acknowledgement of Israel's right to sovereignty and peace: Soviet conditions about the borders are unacceptable to Israel, but this has not caused the Soviet Union to budge from its basic legalism about Israel's independence and legitimacy.

TWO PROBLEMS come immediately to mind when discussing the question of whether Israel should try to find avenues towards a dialogue with the Soviet Union: firstly, what can we offer to the *Soviet Union; and secondly — and* this is a very profound issue for Israel — the question of Soviet Jewry.

What can we offer to the Soviet Union? It may sound strange, but the answer is peace. I do not believe that *the Soviet Union is interested* in another war in the Middle East, which might involve it in a confrontation with the U.S. and might also necessitate again helping defeated Arab armies and regimes. The Soviets have repeatedly reminded the Syrians how close the Israeli army is to Damascus, and Syrian moderation *vis-a-vis* Israel during the civil war in Lebanon can be directly attributed to Soviet caution.

Israel can try to spell out to the Soviet Union *its* conditions for peace. These conditions will not, of course, automatically be accepted by the Soviet Union. But is it inconceivable for Israel to tell the Soviets that if they want peace, and if they want Israeli support for it, that such a peace should also be worked out according to conditions acceptable to Israel — because otherwise there may be no peace at all?

This is a line of bargaining that can lead to an understanding with the Soviets only if we engage in *dialogue with them: it cannot be* done via the Americans.

Last, but not least, there is the matter of Soviet Jewry. As a Jewish state, Israel never did, never will and never could trade in Jewish misery for Israeli interests. In the past, the problem of Soviet Jewry could have been a serious stumbling block in normalizing Soviet-Israeli relations. It appears to me that today this may turn out to be much less of a problem.

First, the Soviet Union is accustomed to the fact of Jewish emigration and has learned to live with it; secondly, for better or for worse, it appears to be a fact that most of the enthusiastic Zionist activists have already emigrated, and that the Jews presently leaving the Soviet Union are much more interested in leaving Russia than coming to Israel.

Thus, both the dimensions and the intensity of the problem seem to be less of an obstacle. If, a few years ago, it was totally inconceivable for the Soviets to negotiate an agreement about Jewish emigration with Israel, it is possible that such an understanding could be more palatable to the Soviets today.

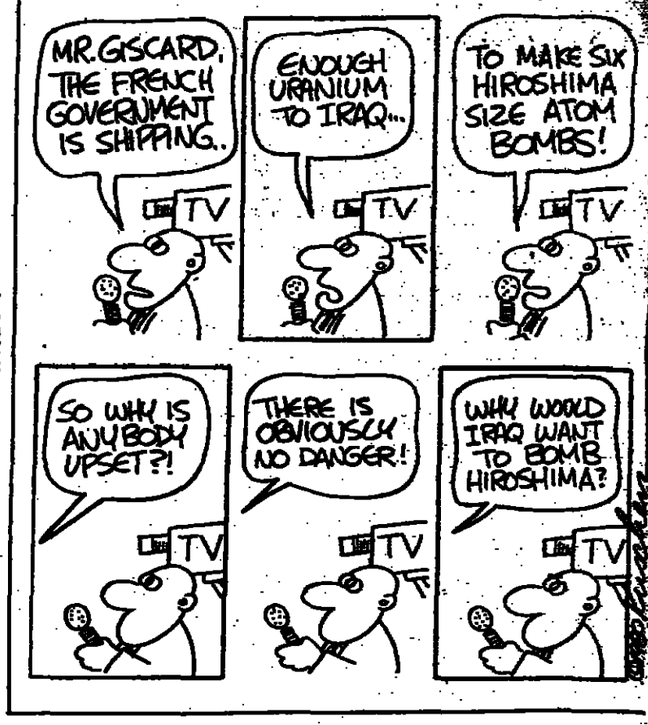
THE SEARCH for an opening to the Soviets may of course lead only to a dead-end. But the possibility is at least worth looking into: Israel's insistence on excluding the Soviets altogether from Middle East peacemaking is a legacy from a bygone era. The conditions under which it was formed have been changed, more or less unilaterally, by the U.S. with the advent of the Carter administration.

It is in Israel's vital interest to find out whether this policy is still warranted in a drastically changed situation: if not, the avenues for an alternative should be seriously explored.

To hold on to a policy built on foundations that are obsolete is a luxury Israel cannot afford.

The author, a professor of political science at the Hebrew University, was director-general of the foreign ministry, 1976-1977.

Dry Bones



READERS' LETTERS

THE BEVIN BOYS

To the Editor of The Jerusalem Post

Sir, — There was one perhaps unique "first" that was not mentioned in Geoffrey Wigoder's article on Manchester Jewry (June 27) nor at the meeting of ex-Mancunians in Israel that took place in Beth Hatefutzoth in Tel Aviv on July 2.

In 1942, during World War II, the British government decided to allow young men, due for army conscription, to volunteer for coal mining. They were called the "Bevin Boys."

A group of young members of Hashomer Hatzair Zionist Youth Movement in Manchester decided to volunteer *en bloc* in order to keep the group together, on the understanding that the Ministry of Labour would provide suitable living accommodation as a *hachshara* (training) centre. We got two large houses thrown together in Stalybridge, just outside Manchester. The boys worked down in the local coal mines and the girls were employed in various vegetable gardening and dairy farms in the area. We were looked upon as rare specimens by the local inhabitants.

The original people in that group are mainly in Kibbutz Yazur today and I am sure that the group will go down in history as the only Jewish coal miners anywhere.

Haifa. *MYRA WEINBRAND*

GET YOUR FACTS RIGHT

To the Editor of The Jerusalem Post

Sir, — "International Communications" of London publishes an "African Yearbook" and a "Middle East Yearbook." According to their publicity pamphlet, entitled "Get your facts right..." the "Middle East Yearbook" covers 25 countries in the area alphabetically from Afghanistan to Western Sahara and including Palestine — but no Israel!

Jerusalem. *KURT STERN*

PEACE NOW IN AMERICA

To the Editor of The Jerusalem Post

Sir, — I have just read the ad of the American Friends of Peace Now in the "Jewish Week." I was an American volunteer in the Israel Defense Forces during the 1948 War of Independence after serving more *than four years in the U.S. Army* during World War Two. I have very carefully looked over the names of the "sponsors" in this ad and I fail to see one single name of the members of MAHAL (the volunteers who came from America in 1948) who, unlike the "sponsors" of the ad, did hide under their beds in those dark days when the Jewish people were fighting for their homeland and their survival.

The ad claims "hundreds of thousands of Israeli citizens" support Peace Now. That may very well be true. Using the same mathematics, one must then assume that, since Israel has a population of over three million Jews, then quite a few million Israelis do not support Peace Now. However, these "hundreds of thousands of Israelis" have every right to be members of Peace Now just as the millions of other Israelis have the same right to oppose Peace Now. They and they alone will have to live or die by what happens inside Israel. For the American "sponsors" of Peace Now, living in their smug security in the U.S., to presume to tell the people of Israel how to live and die is the height of arrogant *hutzpa.* If they really are as devoted to the future of the State of Israel as they profess, then I would suggest that they immediately take their families and go on aliya and live in the Land of Israel. Until then, they should spare Israel their crocodile tears and pious protestations.

I believe that, as a Mahal *volunteer, I did just a little more for* Israel than these "sponsors." Like them I also live here in the U.S. since I was born here. I do what I can for Israel in my own way. However, unlike they, since I do not live in Israel, I do not have the arrogance to tell the Israelis what to do with their lives and their security, and unlike them I have never joined in any sort of political pressure movement existing outside of Israel. It is the inalienable right of all human beings living in a democracy to determine their own destiny and this right also applies to the people living in the State of Israel.

HARRY R. EISNER

Bayside, New York.

HONESTY

To the Editor of The Jerusalem Post

Sir, — I want to thank Mr. Levison, the proprietor of a tobacco and newspaper store at 4 Ben Yehuda Street in Jerusalem, for returning the wallet I left in his store. It contained a sizeable sum of money and my passport. Everything was intact and carefully sealed until I came to claim it.

Moreover, a reward was rejected: "I accept no reward for doing what I should do — return what does not belong to me."

FRANCES K. COBLENTZ

Lawrence, New York.

PENFRIENDS

ALEXANDER HOOLWERF (42), of P.O. Box 5586, Amsterdam, Holland, has recently visited Israel and would like to correspond with Israelis in Dutch, English or German. His hobbies are travelling, photography and politics.

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